PLAINTIFF'S EXHIBIT No. 403.

2-394

DEPARTMENT OF THE INTERIOR,
UNITED STATES PATENT OFFICE.

To all persons to whom these presents shall come, Greeting:

THIS IS TO CERTIFY that the annexed is a true copy from the records of this office of the Certificate of Registration, Statement, Declaration and Drawing in the matter of the Trade-Mark Registered by Farbwerke vorm. Meister Lucius & Brüning, May 22, 1906, Number 53,072.

The certificate of registration was granted for the term of twenty years, and so far as is disclosed by the records of this office, said certificate is in full force and effect.

IN TESTIMONY WHEREOF I have hereunto set my hand and caused the seal of the Patent Office to be affixed, in the District of
(Seal) Columbia, this twenty-eighth day of December, in the year of our Lord one thousand nine hundred and twenty-two and of the Independence of the United States of America the one hundred and forty-seventh.

(Sgd.) KARL FENNING,
Acting Commissioner of Patents.

2-372.

No. 53072

THE UNITED STATES OF AMERICA,
TO ALL TO WHOM THESE PRESENTS SHALL COME:

THIS IS TO CERTIFY That by the records of the United States Patent Office it appears that Farbwerke

741

vorm. Meister, Lucius & Brüning, of Höechst-on-the-Main, Germany, a corporation organized under the laws of the Empire of Germany, did on the 2nd day of November, 1905, duly file in said Office an application for REGISTRATION of a certain

TRADE-MARK

for Anesthetics that it duly filed therewith a drawing of the said Trade-Mark, a statement relating thereto, and a written declaration, duly verified, copies of which are hereto annexed, and has duly complied with the requirements of the law in such case made and provided, and with the regulations prescribed by the Commissioner of Patents.

And upon due examination thereof, it appearing that the said applicant is entitled to registration of its said Trade-Mark under the law, the said Trade-Mark has been duly registered to Farbwerke vorm. Meister, Lucius & Brüning, and its successors or assigns, in the United States Patent Office, this 22nd day of May, 1906.

This certificate shall remain in force for Twenty Years, unless sooner terminated by law.

IN TESTIMONY WHEREOF I have hereunto set my hand and caused the seal of the Patent Office to be affixed, at the city of Washington, this twenty-second day of May, in the year of our Lord one thousand nine hundred and six, and of the Independence of the United States the one hundred and thirtieth.

(Seal)

(Sgd.) F. I. ALLEN,
Commissioner of Patents.

TRADE-MARK

No. 53,072. Registered May 22, 1906

Farbwerke Vorm. Meister Lucius & Brüning.

Anesthetics.

Application Filed Nov. 2, 1905.

NOVOCAIN

Attest:

(Sgd.) C. S. Madison,

(Sgd.) Edward N. Sarton.

Proprietor

Farbwerke vorm. Meister Lucius & Brüning.

(Sgd.) By RICHARDS & Co.,

Attys.

UNITED STATES PATENT OFFICE.

FARBWERKE VORM. MEISTER LUCIUS & BRUNING, OF HOCHST-ON-THE-MAIN, GERMANY.

Trade-Mark for Anesthetics.

Statement and Declaration.

No. 53,072. Registered May 22, 1906.

Application filed November 2, 1905. Serial No. 14,207.

STATEMENT.

To all whom it may concern:

Be it known that the Farbwerke vorm. Meister Lucius & Brüning, a corporation duly organized under the laws of Germany, and located and doing business in the city of Höchst-on-the-Main, Germany, has adopted for its use a trade-mark, of which the following is a description.

The trade-mark consists of the word "Novocain."

The trade-mark has been continuously used in the business of said corporation since July 1, 1905.

The class of merchandise to which the trade-mark is appropriated is pharmaceutical products, and the particular description of goods comprised in said class upon which said trade-mark is used is anesthetics.

The trade-mark is usually displayed on the packages containing the goods by placing thereon a printed label on which the same is shown.

FARBWERKE VORM. MEISTER,
LUCIUS & BRUNING.
By HERBERT VON MEISTER,
Director.

DECLARATION.

United States consulate-general, Frankfort-on-Main, Empire of Germany, ss:

Herbert von Meister being duly sworn, deposes and says that he is a director of Farbwerke vorm. Meister, Lucius & Brüning the applicant named in the foregoing statement; that he believes the foregoing statement is true; that he believes the said corporation to be the owner of the trade-mark sought to be registered; that no other person, firm, corporation, or association, to the best of his knowledge and belief, has the right to use said trade-mark, either in the identical form or in any such near resemblance thereto as might be calculated to deceive; that said trade-mark has been registered in Germany under No. 82,058 on October 7th, 1905; that the description, drawings and specimens, or facsimiles, presented truly represent the trade-mark sought to be registered.

HERBERT VON MEISTER.

Subscribed and sworn to before me, a consul-general of the United States, this 20th day of October, 1905.

[L. S.] RICHARD GUENTHER,
Consul-General.

PLAINTIFF'S EXHIBIT No. 403-A.

2—391

DEPARTMENT OF THE INTERIOR,

UNITED STATES PATENT OFFICE.

To all persons to whom these presents shall come, Greeting:

THIS IS TO CERTIFY that the annexed is a true copy from the records of this office of an instrument of writing Recorded February 26, 1917, in Liber W-102, page 53. Said record has been carefully compared with the original and is a correct transcript of the whole thereof.

IN TESTIMONY WHEREOF I have hereunto set my hand and caused the seal of the Patent Office to be affixed at the City of (Seal) Washington, this 19th day of April, in the year of our Lord one thousand nine hundred and seventeen, and of the Independence of the United States of America the one hundred and forty-first.

(Sgd.) F. W. H. CLAY,
Acting Commissioner of Patents.

Liber W-102,
Page 53.
(Seal) (Seal)

ASSIGNMENT.

WHEREAS the Trade Mark registered in the Patent Office of the United States of America No. 53,072, dated May 22nd, 1906, is and has been used in the business of importing and selling in the said United States goods manufactured by Farbwerke vorm.

Meister Lucius & Brüning of Hoechst-on-Main, Germany, and

WHEREAS said business of importing and selling goods so manufactured is and has been carried on and possessed exclusively by the Farbwerke-Hoechst Company, a New York Corporation, and its predecessors, and it is desired that the title to said Trade Mark for the United States shall accompany the good will of said business in which it is used in the United States.

NOW, THEREFORE, for and in consideration of the premises and of One Dollar in hand paid, the receipt of which is acknowledged, said Farbwerke vorm. Meister Lucius & Brüning has sold, assigned, transferred and set over, and by these presents does sell, assign, transfer and set over unto said Farbwerke-Hoechst Company all the right, title and interest in and to said Trade Mark in and for the United States of America and in and to said Letters of Registration therefor, together with the good will of said business, the same to be held and enjoyed by the said Farbwerke-Hoechst Company for its own use and for the use and behoof of its successors in said business of importing and selling in the United States goods of said manufacturer, as fully and entirely as the same would have been held and enjoyed by the said assignor had said assignment and sale not been made.

Signed, sealed and delivered at Hoechst-on-Main this twenty-eighth day of January, 1915.

(Seal) (Seal) (Seal)

Farbwerke vorm. Meister
Lucius & Brüning
R. Weidlich
A. Ammelburg

Vorstehende, heute als eigenhändig vollzogen vor mir anerkannte Unterschriften der mir persönlich bekannten Herren:

1. Dr. Richard Weidlich, Rechtsanwalt.

2. Dr. Alfred Ammelburg, Chemiker, beide wohnhaft in Höchst a/M. werden hierdurch amtlich beglaubigt mit dem Hinzufügen, dass die genannten Herren zur Vertretung der Aktiengesellschaft "Farbwerke vorm. Meister Lucius & Brüning" in Höchst a/M. befugt sind.

Höchst a/M., den 28. Januar 1915.

(Seal)

Schreiber, Koeniglich Translischer Notar

Notar

It is hereby officially certified that the following gentlemen, who are personally known to me, namely

1. R. Weidlich, Ph.D. and Counsellor at Law,

2. A. Ammelburg, Ph.D., chemist, both of Hoechst-on-Main, have acknowledged to-day personally before me their foregoing signatures, said gentlemen being duly authorized to sign on behalf of the firm "Farbwerke vorm. Meister Lucius & Brüning" at Hoechst-on-Main.

Hoechst-on-Main, 28th, January 1915.

No. 22 Not. Reg. für 1915

Kosten. Wert: M 3000.—ang.

1., Gebühr§ 43 pr. Ger. K. Ges	M 1,90
2., Pauschale	M 0,50
3., Stempel z. Beglaubigung	M 3.—
4., Stempel z. Urkunde	M 1.50
Summa:	M 6,90

Schreiber

Kingdom of Prussia, Empire of Germany
Province of Hesse-Nassau
Consulate General of the U. S. of America
at Frankfort-on-Main
} ss:

I, H. W. Harris, Consul General of the United States of America at Frankfort-on-Main, Germany, duly commissioned and qualified, do hereby certify that Norbert Schreiber whose name is subscribed to the document hereunto annexed was at the time of subscribing the same Notary Public at Hoechst on Main, Prussia, Germany, duly commissioned, and that his signature and official seal affixed thereto are genuine and as such are entitled to full faith and credit.

In witness whereof I have hereunto set my hand and official seal this 30 day of January, 1915.

(Seal) (Seal) (Seal)

H. W. HARRIS,
Consul General of the
United States of America.

No. 158 Fee $2.00 recd.
equal to Marks 9.20.
Recorded February 26, 1917.

PLAINTIFF'S EXHIBIT No. 404.

UNITED STATES PATENT OFFICE.

Farbwerke Vorm. Meister Lucius & Brüning, of Höchst-on-the-Main, Germany.

Trade-Mark for a Remedy for Certain Diseases.

Statement and Declaration.

79,969. Registered Oct. 25, 1910.

Application filed February 23, 1909. Serial No. 40,734.

STATEMENT.

To all whom it may concern:

Be it known that FARBWERKE VORM. MEISTER LUCIUS & BRUNING, a corporation duly organized under

the laws of the German Empire, located at Höchst-on-the-Main, Germany, and doing business at Höchst-on-the-Main, has adopted for its use the trade-mark shown in the accompanying drawing.

The trade-mark has been continuously used in the business of said corporation since October 21st, 1908.

The class of merchandise to which the trade-mark is appropriated is Class 6, Chemicals, medicines and pharmaceutical preparations, and the particular description of goods comprised in said class upon which said trade-mark is used is a powder to be used as a remedy for syphilis, sleeping-sickness, trypanosomiatis and other tropical infectious diseases.

The trade-mark is usually displayed on the packages containing the goods, by placing thereon a printed label on which the same is shown.

FARBWERKE VORM. MEISTER LUCIUS & BRÜNING,
By HERBERT VON MEISTER,
Director.

DECLARATION.

United States consulate general. Frankfort-on-Main, Empire of Germany. ss.

HERBERT VON MEISTER, doctor of philosophy of Sindlingen near Hoechst-am-Main, being duly sworn, deposes and says that he is a director of the corporation FARBWERKE VORM. MEISTER LUCIUS & BRUNING, the applicant named in the foregoing statement; that he believes that the foregoing statement is true; that he believes said corporation is the owner of the trade-mark sought to be registered; that no other person, firm, corporation, or association, to the best of his knowledge and belief, has the right to use said trade-mark, either in the identical form or in any such near resemblance thereto as might be calculated to deceive;

that said trade-mark has been registered in Germany, Number 114511, dated January 29th, 1909, and that the description, drawing and specimens presented truly represent the trade-mark sought to be registered.

HERBERT VON MEISTER.

Subscribed and sworn to before me, a U. S. consul general, this 9th day of February, 1909.

RICHARD GUENTHER,
(L. S.) *U. S. Consul-General.*

TRADE-MARK.

Farbwerke vorm. Meister Lucius & Brüning.
A Remedy for Certain Diseases.
Application Filed Feb. 23, 1909.
79,969. Registered Oct. 25, 1910.

SALVARSAN

Proprietor,
FARBWERKE VORM. MEISTER LUCIUS & BRÜNING,
By BYRNES, TOWNSEND & BRICKENSTEIN,
Attorneys.

PLAINTIFF'S EXHIBIT No. 404-A.

2—391.

DEPARTMENT OF THE INTERIOR,
UNITED STATES PATENT OFFICE.

To all persons to whom these presents shall come, Greeting:

THIS IS TO CERTIFY that the annexed is a true copy from the records of the office of an instrument of writing

Recorded May 6, 1914,
in
Liber D-94, page 432.

Said record has been carefully compared with the original and is a correct transcript of the whole thereof.

IN TESTIMONY WHEREOF I have hereunto set my hand and caused the seal of the Patent Office to be affixed at the City of
(Seal) Washington, this 26th day of June, in the year of our Lord one thousand nine hundred and fourteen and of the independence of the United States of America the one hundred and thirty-eighth.

(Sgd.) J. T. NEWTON,
Acting Commissioner of Patents.

Liber D 94
Page 432

ASSIGNMENT.

WHEREAS the trade-mark registered in the Patent Office of the United States of America, No. 79,969, dated October 25, 1910, is and has been used in the business of importing and selling in the said United States goods manufactured by Farbwerke vorm. Meister Lucius & Brüning of Hoechst-on-the-Main, Germany, and

WHEREAS said business of importing and selling goods so manufactured is and has been carried on and possessed exclusively by the Farbwerke-Hoechst Company, a New York corporation, and its predecessors, and it is desired that the title to said trade-mark for the United States shall accompany the good will of said business in which it is used in the United States.

NOW, THEREFORE, for and in consideration of the premises and of One Dollar in hand paid, the receipt of which is acknowledged, said Farbwerke vorm. Meister Lucius & Brüning has sold, assigned, transferred

and set over, and by these presents does sell, assign, transfer and set over unto said Farbwerke-Hoechst Company all the right, title and interest in and to said trade-mark in and for the United States of America and in and to said Letters of Registration therefor, together with the good will of said business; the same to be held and enjoyed by the said Farbwerke-Hoechst Company, for its own use and for the use and behoof of its successors in said business of importing and selling in the United States goods of said manufacture, as fully and entirely as the same would have been held and enjoyed by the said assignor had said assignment and sale not been made.

Signed, sealed and delivered at Hoechst-on-Main this fifth day of March, 1914.

FARBWERKE VORM. MEISTER LUCIUS & BRÜNING,
EPTING,
Direktor.
KRUG v. NIDDA,
Procurist.

Oberlandesgerichtsz
Frankfurt am
Norbert Schreiber
Hochst A. M.
Notair-Blg.
Dkgl. Preuss

Stemplemarke
Drei Mark
No. 120/14
6 Marz 14
3 Nörbert am 3

Vorstehende, heute als eigenhändig vollzogen vor mir anerkannte Unterschriften der mir persönlich bekannten Herren:

1. Chemiker Max Epting, wohnhaft in Höchst am Main
2. Rechtsanwalt Victor Krug von N i d d a, wohnhaft in Frankfurt am Main,

werden hierdurch amtlich beglaubigt mit dem Hinzufügen, dass die genannten Herren zur Vertretung der Aktiengesellschaft

" Farwerke v o r m. Meister Lucius & Brüning, in Höchst, am Main

befugt sind.

Hochst am Main, den 5. Marz 1914.

It is hereby officially certified that the following gentlemen, who are personally known to me, namely:

1. Max Epting, Dr. ing., chemist of Höchst-on-Main
2. Victor Krug von Nidda, Counsellor at Law of Frankfort-on-Main,

have acknowledged to-day personally before me their foregoing signatures, said gentlemen being d u l y authorized to sign on behalf of the firm

" Farbwerke v o r m. Meister Lucius & Brüning" at Höchst-on-Main.

Hochst-on-Main, March 5th, 1914.

Schreiber, Bonighiber, Notar

* * * * * * * * *
* Oberlandesgerichtsz *
* Norbert Schreiber *
* Frankfurt am *
* Hochst am *
* Notair-Blg. *
* Kgl. Preuss *
* * * * * * * * *

No. 120 Not. Reg. 1914
Kosten Wert 3000 mk.

1. geb, 143 p. g. k. geb.	1.90 M
2. Stempel 3 Cnzl	3.00 "
3. Pauschsatz	0.50 "

Pu 5.40 mk. Tinnon

KINGDOM OF PRUSSIA, EMPIRE OF GERMANY,
PROVINCE OF HESSE-NASSAU,
CONSULATE GENERAL OF THE U. S. OF AMERICA,
AT FRANKFORT-ON-MAIN, } ss.:

I, Heaton W. Harris, Consul General of the United States of America at FRANKFORT-ON-MAIN, GERMANY, duly commissioned and qualified, do hereby certify that Norbert Schreiber, whose name is subscribed to the document hereunto annexed, was at the time of subscribing the same Notary Public at Hoechst-on-Main, Prussia, Germany, duly commissioned, and that his signature and official seal affixed thereto are genuine and as such are entitled to full faith and credit.

In witness whereof I have hereunto set my hand and official seal this 1. day of April, 1914.

H. W. HARRIS,
Consul General of the United States of America.

American Consulate General Frankfort-on-Main Germany.

American Consular Service $2 Fee Stamp

No. 256 Fee $2.00 recd.
equal to Marks 8.50
Recorded May 6, 1914.

PLAINTIFF'S EXHIBIT No. 405.

UNITED STATES PATENT OFFICE.

Farbwerke vorm. Meister Lucius & Brüning, of Höchst-on-the-Main, Germany.

Trade-Mark for a Remedy for Certain Named Diseases.

88,862. Registered Oct. 29, 1912.

Application filed May 22, 1912. Serial No. 63,727.

STATEMENT.

To all whom it may concern:

Be it known that FARBWERKE VORM. MEISTER LUCIUS & BRUNING, a corporation duly organized under the laws of the German Empire, located at Höchst-on-the-Main, Germany, and doing business at Höchst-on-the-Main, Germany, has adopted and used the trade-mark shown in the accompanying drawing, for a remedy for syphilis, sleeping-sickness, trypanosomiasis, and other tropical infectious diseases, in Class No. 6, Chemicals, medicines, and pharmaceutical preparations.

The trade-mark has been continuously used in the business of said corporation since March 29, 1912.

The trade-mark is usually displayed on the packages containing the goods, by placing thereon a printed label on which the same is shown.

FARBWERKE VORM. MEISTER LUCIUS & BRÜNING,
By VIKTOR KRUG v. NIDDA,
Secretary.

NEOSALVARSAN

DECLARATION.

United States consulate general, Frankfort-on-the-Main, Empire of Germany. ss.

VIKTOR KRUG VON NIDDA, attorney and counselor-at-law of Frankfort-on-the-Main, being duly sworn, deposes and says that he is a secretary of the corporation FARBWERKE VORM. MEISTER LUCIUS & BRUNING, at Höchst-on-the-Main, the applicant named in the foregoing statement; that he believes that the foregoing statement is true; that he believes said corporation is the owner of the trade-mark sought to be registered; that no other person, firm, corporation, or association to the best of his knowledge and belief, has the right to use said trade-mark in the United States, either in the identical form or in any such near resemblance thereto as might be calculated to deceive; that said trade-mark has been registered in Germany under Number 155,845, dated 6th March, 1912, and that the description, drawing and specimens or fac-similes presented truly represent the trade-mark sought to be registered.

VIKTOR KRUG v. NIDDA.

Subscribed and sworn to before me, this first day of May, 1912.

FRANK D. HILL,
(L. S.) *U. S. Consul General.*

Copies of this trade-mark may be obtained for five cents each, by addressing the "Commissioner of Patents, Washington, D. C."

PLAINTIFF'S EXHIBIT No. 405-A.

2—391

DEPARTMENT OF THE INTERIOR,
UNITED STATES PATENT OFFICE.

To all persons to whom these presents shall come, Greeting:

THIS IS TO CERTIFY that the annexed is a true copy from the records of this office of an instrument of writing

Recorded May 6, 1914,
in
Liber D-94, page 430.

Said record has been carefully compared with the original and is a correct transcript of the whole thereof.

IN TESTIMONY WHEREOF I have hereunto set my hand and caused the seal of the Patent Office to be affixed at the City of
(SEAL) Washington, this 26th day of June, in the year of our Lord one thousand nine hundred and fourteen and of the independence of the United States of America the one hundred and thirty-eighth.

(Sgd.) J. T. NEWTON,
Acting Commissioner of Patents.

Liber D 94
Page 430.

ASSIGNMENT.

WHEREAS the trade-mark registered in the Patent Office of the United States of America, No. 88,862, dated October 25, 1912, is and has been used in the business of importing and selling in the said United States goods manufactured by Farbwerke vorm. Meis-

ter Lucius & Brüning of Hoechst-on-the-Main, Germany, and

WHEREAS said business of importing and selling goods so manufactured is and has been carried on and possessed exclusively by the Farbwerke-Hoechst Company, a New York corporation, and its predecessors, and it is desired that the title to said trade-mark for the United States shall accompany the good will of said business in which it is used in the United States.

NOW THEREFORE, for and in consideration of the premises and of One Dollar in hand paid, the receipt of which is acknowledged, said Farbwerke vorm. Meister Lucius & Brüning has sold, assigned, transferred and set over, and by these presents does sell, assign, transfer and set over unto said Farbwerke-Hoechst Company all the right, title and interest in and to said trade-mark in and for the United States of America and in and to said Letters of Registration therefor, together with the good will of said business; the same to be held and enjoyed by the said Farbwerke-Hoechst Company, for its own use and for the use and behoof of its successors in said business of importing and selling in the United States goods of said manufacture, as fully and entirely as the same would have been held and enjoyed by the said assignor had said assignment and sale not been made.

Signed, sealed and delivered at Hoechst-on-Main this fifth day of March 1914.

(Seal) FARBEWERKE VORM. MEISTER LUCIUS & BRUNING

EPTING, *Direktor.*

KRUG v. NIDDA, *Procurist.*

Vorstehende, heute als eigen-händig vollzogen vor mir anerkannte Unterschriften der mir persönlich bekannten Herren:

1. Chemiker Max Epting wohnhaft in Höchst am Main
2. Rechtsanwalt Victor Krug, von Nidda, wohnhaft in Frankfurt am Main,

werden hierdurch amtlich beglaubigt mit dem Hinzufügen, dass die genannten Herren zur Vertretung der Aktiengesellschaft

" Farbwerke vorm. Meister Lucius & Brüning"
in Höchst am Main

befugt sind.

Höchst am Main, den 5. Marz 1914.

(German Seal)

It is hereby officially certified that the following gentlemen, who are personally known to me, namely:

1. Max Epting, Dr. ing, chemist of Höchst-on-Main
2. Victor Krug von Nidda, Counsellor at Law of Francfort-on-Main,

have acknowledged to-day personally before me their foregoing signatures, said gentlemen being duly authorised to sign on behalf of the firm

"Farbwerke vorm. Meister Lucius & Brüning"
at Höchst-on-Main.

Höchst-on-Main, March 5th, 1914.

Schreiber,
Bonighiber Notar.

No. 121. Not. Reg. fr 1914
Kosten Wert 3000 mk.

1. geb. 143 p. g. K geb.	1.90 M.
2. Pauschsatz	0.50 "
3. Stpl. 3 Cnzl.	3.00 "
	Pu 5.40 mk Tinnon

KINGDOM OF PRUSSIA, EMPIRE OF GERMANY,
Province of Hesse-Nassau,
CONSULATE GENERAL OF THE U. S. OF AMERICA, at Frankfort-on-Main, } *ss:*

I, Heaton W. Harris, Consul General of the United States of America at FRANKFORT-ON-MAIN, GERMANY, duly commissioned and qualified, do hereby certify that Mr. Norbert Schreiber whose name is subscribed to the document hereunto annexed was at the time of subscribing the same Notary Public at Hoechst-on-Main, Prussia, Germany, duly commissioned, and that his signature and official seal affixed thereto are genuine and as such are entitled to full faith and credit.

In witness whereof I have hereunto set my hand and official seal this 1. day of April 1914.

H. W. HARRIS
Consul General of the United States of America.

* * * * * * * * *
* H. W. H. *
* 4/1st/14 *
* AMERICAN *
* CONSULAR *
* SERVICE $2 *
* FEE STAMP *
* * * * * * * * *

AMERICAN
CONSULATE
GENERAL
FRANKFORT
ON-MAIN
GERMANY

No. 257 Fees $2.00 recd.
equal to Marks 8.50

Recorded May 6, 1914.

PLAINTIFF'S EXHIBIT No. 406.

Address Communications to Federal Trade Commission

In Replying Please Quote Enemy Trade Div. M. R. W.

FEDERAL TRADE COMMISSION

WASHINGTON

August 29, 1919.

M. R. W-G. L. K
8-29-19

ALIEN PROPERTY CUSTODIAN
Received AUG. 30, 1919
Noted.....Date.....
Ans'd.....Date.....

Alien Property Custodian,
16th and P Streets, N. W.,
Washington, D. C.
Attention Robert C. Goldstein,
Division of Patents.
Dear Sir:

In connection with License No. 10 (Patent) dated January 17, 1918, to Lembcke von Bernuth Co., Inc. under Patents Nos. 709,799, (reissue No. 12,707) and Patent No. 1,008,864 to Max Rueping for Methods of Impregnating Wood, please be advised that this Commission is in receipt of a report showing that during the accounting period from January 31, 1919, to July 31, 1919, inclusive, royalty accrued under said license in the amount of $10,113.71. The licensee has been instructed to make payment to your Office of this amount. Said amount when received is to be held as a Trust Fund for Lembcke von Bernuth Company, Inc., and Hulsberg & Cie. The usual receipt form is enclosed. Please fill out and return when payment has been received.

Very truly yours,
(Sgd.) M. R. WILSON
M. R. Wilson,
Chief, Enemy Trade Div.

Encl: 1.

PLAINTIFF'S EXHIBIT No. 407.

AGREEMENT made this 12th day of November 1902, between FARBWERKE vorm. MEISTER LUCIUS & BRUENING, a corporation organized and existing under the laws of Germany, having its principal place of business at Hoechst near Frankfort-on-the-Main (hereinafter called the Farbwerke); HERMAN A. METZ, of the City of New York; VICTOR KOECHL & Co., a corporation organized and existing under the laws of West Virginia, having its principal business office in the City of New York; and THE CONSOLIDATED COLOR & CHEMICAL COMPANY, a corporation organized and existing under the laws of New Jersey, having its principal business office at Newark in the last named State; WITNESSETH:

I:

That the said Metz shall cause to be formed under the laws of the State of New York a corporation under the name of H. A. METZ & Co., with power to take over and continue all of the business of said Victor Koechl & Co., and with such further and other powers as to him may seem advisable; which new corporation shall have a capital of Two Hundred Thousand 00/100 ($200,000.) Dollars, divided into two thousand (2000) shares of the par value of One Hundred Dollars each, all common stock. It is intended that there shall be five organizers of the said corporation, to wit: the said Metz; Charles L. Gagnebin of Brookline, Massachusetts; Charles Fuehrlein of Jersey City, New Jersey; Charles M. Patterson, of Providence, Rhode Island; and Eugene Widmann of Brook-

lyn, New York; and that the directors for the first year be three in number, to wit: the said Metz, Fuehrlein, and Gagnebin. But should any of the said proposed organizers or directors, except said Metz, for any reason fail or refuse to act as such, the said Metz may select any other person or persons so to act. Each of said organizers shall subscribe for one share of stock by the certificate of incorporation; and the said Metz shall thereafter subscribe for the remaining shares.

II:

Victor Koechl & Co., immediately upon the organization of H. A. Metz & Co., will sell, assign, transfer and set over unto the said Metz in consideration of stock of the said Victor Koechl & Co. as hereinafter provided, all of the furniture, fixtures, money and securities for money, contracts, leases, books, papers, bills, notes, accounts receivable, cash on hand and in bank, merchandise, machinery, samples, patents, processes, secrets, formulæ, trademarks, good-will and assets of every name and nature, whether tangible or intangible (except its tradename), employed by or appertaining to any business now being carried on by the said Victor Koechl & Co., except its pharmaceutical business; and the said Metz agrees to purchase the said assets and pay for the same by transferring to the said Company two thousand (2000) shares of the preferred stock and twenty-nine hundred (2900) shares of the common stock of Victor Koechl & Co., aggregating the par value of Four Hundred and Ninety Thousand 00/100 ($490,000.) Dollars, belonging to him. An inventory of the assets so to be sold shall be made by the said Metz as of January 1st, 1903.

III:

Victor Koechl & Co. will thereupon, pursuant to the statute of West Virginia in such case made and provided, forthwith retire all of the said preferred stock and twenty-five hundred (2500) shares of the said common stock so acquired by it; thus reducing its capital stock to Fifty Thousand 00/100 ($50,000) Dollars divided into five hundred (500) shares of common stock of the par value of One Hundred Dollars each; whereof one hundred (100) shares will then be outstanding in the name or under the control of said Metz, and four hundred (400) shares will then be in the treasury of said Company. And it is agreed that if and when said treasury stock is issued by said Company, it shall be divided between said Metz and the said Farbwerke in the proportion of three shares to the said Metz and one share to the said Farbwerke. But the said stock shall be issued to the said Metz and by him distributed by endorsement and delivery of the certificates of stock, as provided in paragraph X. *infra*, unless the said Farbwerke request that its shares be issued to it direct.

IV:

Said Metz will thereupon, on or as of January 1st, 1903, sell and assign to the said Farbwerke for the sum of Two Thousand Five Hundred 00/100 ($2,500) Dollars cash, and said Farbwerke will buy from the said Metz for said sum, twenty-five (25) shares of the capital stock of Victor Koechl & Co., being one-quarter of the one hundred (100) shares remaining outstanding in accordance with the last foregoing paragraph.

V:

Said Metz and said Victor Koechl & Co. agree that the assets which are to remain in possession of said Company after the sale to be made pursuant to paragraph II. *supra* (to wit, the assets of the pharmaceutical business) will at the time of said sale be of the book value of at least Ten Thousand 00/100 ($10,000) Dollars.

VI:

All of the assets purchased by the said Metz from Victor Koechl & Co., as provided in paragraph II. *supra*, shall be sold by him to, and purchased from him by, the said H. A. Metz & Co., in consideration of the entire issue of capital stock of the said last named corporation, which stock shall be issued as follows:

To the said Metz,	1,996 shares
To each of the other four organizers one share,	4 shares
Total,	2,000 shares

VII:

The said Metz will thereupon, on or as of January 1st, 1903, sell and assign to the said Farbwerke, for the sum of Fifty Thousand 00/100 ($50,000) Dollars in cash, and the said Farbwerke will buy from said Metz for said sum, five hundred (500) shares of the capital stock of H. A. Metz & Co., being one quarter of the said capital stock.

VIII:

The Consolidated Color & Chemical Company shall forthwith, pursuant to the Statute of New Jersey in such case made and provided increase its au-

thorized capital stock from Fifty Thousand 00/100 ($50,000) Dollars to Two Hundred Thousand ($200,000) Dollars. The authorized increase of fifteen hundred (1500) shares (all to be common stock) will be issued to the said Metz (who already owns or controls the five hundred shares of stock now outstanding), in consideration of the transfer by said Metz to the Consolidated Color & Chemical Company of real estate, plant, and other assets suitable to its business, which assets shall be of sufficient book-value, when added to the book-value of the present assets of said Company, to make a total book-value of Two Hundred Thousand 00/100 ($200,000) Dollars, over and above all liabilities. And said Metz agrees to transfer such assets to said Company in consideration of the stock issued as aforesaid. An inventory of the assets so to be sold shall be made by the said Metz as of January 1st, 1903.

IX:

The said Metz will thereupon, on or as of January 1st, 1903, sell and assign to the Farbwerke for the sum of One Hundred Thousand 00/100 ($100,000.) Dollars in cash, and the said Farbwerke will buy from the said Metz for said sum, one thousand (1000) shares of the capital stock of the Consolidated Color & Chemical Company, of which, however, the Farbwerke will transfer two (2) shares to such two persons as the said Metz may designate (one share to each) for the purpose of qualifying them as directors. And the said Metz agrees that of the one thousand (1000) shares retained by him, he will transfer two (2) to two other persons (one share to each) for the like purpose; so that, including the said Metz, there shall be five persons in the United States qualified to act as directors.

X:

The shares of the said three corporations to be sold by Metz to the Farbwerke as aforesaid, are to be transferred by endorsement and delivery of the certificates thereof; but the transfer shall not be entered upon the books of any of the corporations aforesaid, except upon demand of the said Farbwerke; nor shall the fact that the Farbwerke is a stockholder or has any share or interest in any of said Companies, be made known to any person or persons other than the parties to this agreement and such other persons to whom it must be disclosed in order to carry this Agreement into effect, or to carry on the business of said corporations. Said transfers, or any of them, on demand of the Farbwerke, will however at any time be entered upon the books of the respective corporations.

XI:

Should there at any time, while the said Farbwerke and the said Metz both continue to hold stock in any of said three American corporations, be an increase in the capital stock of any of said corporations, the new shares as, if, and when issued, shall be divided between the said Metz and the said Farbwerke in the following proportions: As to Victor Koechl & Co. or H. A. Metz & Co., three parts to the said Metz and one part to the said Farbwerke. As to the Consolidated Color & Chemical Company, one part to said Metz and one part to said Farbwerke. Any such new stock intended for the Farbwerke, must be issued to said Metz and by him transferred by endorsement and delivery of the stock certificates, so that the said Farbwerke need not appear as a stockholder of record, unless a demand be made by said Farbwerke that such stock be transferred to it of record or issued to it direct.

XII:

Before the Farbwerke shall sell or otherwise dispose of any of the stock of any of said three corporations (whether the shares to be transferred to it as of January 1st, 1903, as aforesaid, or shares subsequently acquired by it), to any person or persons other than said Metz, it shall first tender all of such stock in all of such corporations to the said Metz or his personal representatives, and he or his said representatives shall have the right of pre-emption as to said shares at the following prices:

All of the shares of Victor Koechl & Co. then owned or controlled by the said Farbwerke, at the book value of the said shares at the time of tender;

All of the shares of H. A. Metz & Co. then owned or controlled as aforesaid, at par;

All of the shares of the Consolidated Color & Chemical Company, then owned or controlled as aforesaid, at the book value of the said shares at the time of tender:

The option hereby given is to purchase all of the shares of said three corporations, and is not an option to purchase the shares of one or two such corporations only.

XIII:

Should the said Metz die, or for any reason withdraw from the active management of the said three companies, he or his personal representatives, as the case may be, must tender all of the shares of stock in all of such corporations then owned or controlled by him or them, to the said Farbwerke; and the said Farbwerke shall have the right of pre-emption as to said shares at the following prices:

The original fifteen hundred (1500) shares of H.

A. Metz & Co. for Two Hundred and Fifty Thousand 00/100 ($250,000.) Dollars; and any shares of H. A. Metz & Co. representing an increase of capital stock then owned or controlled by the said Metz or his personal representatives, at par.

All of the shares of Victor Koechl & Co. then owned or controlled as aforesaid, for the book value thereof at the time of tender;

All of the shares of the Consolidated Color & Chemical Company, then owned or controlled as aforesaid, for the book value thereof at the time of tender.

The option hereby given is to purchase all of the shares of said three corporations, and is not an option to purchase the shares of one or two such corporations only.

XIV:

Said Metz agrees to continue, and the said Farbwerke agrees to continue him, in the active control and management of the said three corporations, for the term of five years from the first day of January, 1903, unless the Farbwerke becomes the owner or acquires control of all the stock of such corporations, in which case the authority of the said Metz as manager shall *ipso facto* cease.

And the said Farbwerke agrees that if the said Metz faithfully performs his obligations under this agreement, the said H. A. Metz & Co., for the term of five years from said January 1st, 1903, shall have the exclusive sale of the products of the said Farbwerke in the United States of America; and the said Farbwerke during the said term will not directly or indirectly sell any of its products to any other person, association or corporation in the United States of America, without the written consent of the said Metz first

obtained; and the said Farbwerke during the said period will sell its products to the said H. A. Metz & Co. at their lowest market prices, and will not directly nor indirectly sell any of its products to any person, association or corporation in any part of the world, except to European manufacturers of goods similar to the products of said Farbwerke, at a lower price or upon more favorable terms than those given to the said H. A. Metz & Co.

This paragraph XIV. shall remain in force for a further period of five years from the 1st day of January, 1908, unless the said Metz or the said Farbwerke shall, on or before the 1st day of January, 1907, give written notice of intention to let the same expire on January 1st, 1908. Such notice may be given personally or by registered mail.

XIVa:

And the said Metz further agrees that so long as both he and the said Farbwerke remain stockholders in any of said three corporations, or so long as he remains manager of any of said corporations, and so long as the said Farbwerke faithfully observes the terms of this agreement, he will not, without the written consent of the said Farbwerke first obtained, directly or indirectly, as principal, agent, employe, partner, or director, engage or become interested in any other business of a nature kindred to that of any of the said three corporations, nor permit the use of his name in any such business.

XV:

The said Metz further agrees that he will not sell the whole nor any part of his stock in any of said three corporations to any person or persons other than the

said Farbwerke, without first tendering all of such stock of all of said corporations to the said Farbwerke at the prices mentioned in paragraph XIII *supra;* and that for the period of three years after the sale by him to the Farbwerke of all of his stock in all of said three corporations, he will not, anywhere within the United States of America, except Nevada, without the written consent of the said Farbwerke first obtained, directly or indirectly, as principal, agent, employe, partner, or director, engage or become interested in any other business of a nature kindred to that of any of the said three corporations, nor permit the use of his name in any such business.

XVI:

All of the stock certificates already issued or hereafter to be issued by any of the said three American corporations (excepting those which are to be surrendered to Victor Koechl & Co. under paragraph II of this agreement, and excepting any certificates of shares, not exceeding five shares as to any one corporation, which it may be necessary or expedient to issue or from time to time transfer for the purpose of qualifying directors), are to be deposited, for the security of the rights of pre-emption by this agreement conferred upon the said Metz and the said Farbwerke respectively, with the Eastern Trust Company, in the City of New York, under a written contract between said Metz, said Farbwerke, and said Trust Company, to the effect that none of said certificates shall be delivered to any person whatever, except upon the written order of both the said Metz and the said Farbwerke, or their executors, administrators, legal successors or representatives. But the said contract with the Trust Company shall not defeat nor impair any right in, or claim upon, the said certificates or the

shares thereby represented, based upon this agreement; and for an unauthorized refusal to join in a written order upon the said Trust Company for the delivery of any such certificates, the said Farbwerke or the said Metz, or their respective executors, administrators, legal successors or representatives, as the case may be, shall, of course, be liable to such judgment or decree as to any competent court may seem just.

XVII:

The said Metz, in his capacity as general manager of said three American corporations, will, within three months next after January 1st, and July 1st, in each year, while he continues in such capacity, render to the said Farbwerke a full, just, true and detailed account in writing of the assets and liabilities, profits and losses, earnings and expenses, of each of said corporations as of January 1st or July 1st, as the case may be. As to all of said corporations, the value of assets on hand for the purpose of the July account may be estimated; but account of stock shall be accurately taken for the purpose of the January statement. He further agrees, that during each month, while he continues as such general manager, he will make a written report to the said Farbwerke, containing a copy of the minutes of directors' and stockholders' meetings, certified by the secretary or assistant secretary of the company in question, and a general outline of the business of each of said corporations for the month immediately preceding such report. And the said minutes shall be a full and true record of all proceedings of such directors' and stockholders' meetings.

XVIII:

Said Metz has heretofore been accustomed to allow to certain of the employes of Victor Koechl & Co.,

in addition to their stated compensation, a bonus or premium, consisting of a part of his personal dividends or profits. It is his purpose to continue to do so as to all three of said corporations; but it is expressly agreed that while he, as manager, is hereby authorized (except as hereinbelow provided) to fix all regular salaries and compensation of employes of the said three American companies, as well as the expenses of said companies generally, yet any such bonus or premium must continue to be a charge upon the profits or dividends of said Metz personally, and must not be an expense of the business of any of said companies. On January 1st, 1903, said Metz will furnish to the Farbwerke a schedule of the salaries of the principal employes of the said three corporations, and he agrees that, so long as the said Farbwerke continues to own stock as aforesaid, he will not increase nor allow to be increased, the compensation of the said Gagnebin, Fuehrlein, Patterson, Widmann, or himself whether by way of salary or by way of bonus, without the consent of the Farbwerke first obtained.

XIX:

In case the management or control of the said three corporations passes to the said Farbwerke by reason of the death or retirement of said Metz, or the sale of his stock to it, if the said Gagnebin, Fuehrlein and Widmann, or either of them are or is at the time still in the service of any of said corporations, the said Farbwerke will cause their or his employment to be continued by the said corporation or corporations, for the further term of five years, upon the same terms as to salary, bonus and duties to be performed, as may be in force at the time of such change of management between the said employes respectively on the one

hand, and the said corporation or corporations and said Metz on the other hand; upon the condition, however, that the said employes or employe shall agree with the said corporations or corporation and with the Farbwerke, that they or he will not, at any time within two years from the change of control as aforesaid, leave the service of such corporations or corporation, nor engage, directly or indirectly, in any competing business.

XX:

The phrase "book-value," when applied in this agreement to assets, means actual value; and when applied to a share of stock, means the value of such share as determined by deducting from the actual value of the assets of the corporation in question, the actual amount of its liabilities, and dividing the difference by the number of shares outstanding.

XXI:

Any tender provided for by this agreement may be made by depositing with the custodian of said stock (the Eastern Trust Company), a written order to deliver the certificates of stock to the party thereto entitled upon receipt of the agreed price thereof as aforesaid, and giving written notice of said order and of its deposit, personally or by registered mail, to the party entitled to the stock. The time for the acceptance of any such tender is limited to three months from the date of notice as aforesaid, except in a case where the price named in the order is disputed, in which case, if the dispute be referred to arbitration according to this agreement, the time for acceptance shall continue for one month after the arbitrators will have made their award and given written notice thereof to the parties or their representatives, in person or

by registered mail. Any refusal or neglect to submit such dispute forthwith to arbitration shall terminate the right of the party, so refusing or neglecting, to purchase the stock in question, and shall confer upon the other party the unlimited right to sell such stock when, and to whom, such party pleases.

XXII:

Wherever in the foregoing agreement, the said Metz undertakes, in certain contingencies, to transfer to the Farbwerke all of the stock owned or controlled by him, in the corporations named, it is understood that he or his personal representatives are so to transfer not only the stock belonging to him or them, but also any shares which may have been transferred by the Farbwerke or Metz to any persons of his own selection to qualify them as directors. But any such qualifying shares which may have been contributed by the said Farbwerke need not, of course, be paid for a second time by said Farbwerke.

XXIII:

Should any dispute arise between or among the parties to this agreement, under or concerning the terms thereof such dispute shall be submitted to three arbitrators, of whom one shall be appointed by the said Farbwerke, its legal representatives or successors; one shall be appointed by the said Metz, or his legal representatives; and the third shall be appointed by the two thus chosen. And the award or determination of any two of the said three arbitrators shall be binding and conclusive upon all of the parties to this agreement.

XXIV:

When by the terms of this agreement notice may be given by registered mail, it is understood that such

notice is to be sent in duplicate, each counterpart being enclosed in a separate envelope, one of said counterparts to be mailed on the day of its date, and the other not less than one week nor more than ten days thereafter. Such notice shall date from the mailing of the first counterpart.

ADDENDUM:

It is expressly agreed that business-failure either of said Metz or of said Farbwerke, accompanied by a general assignment for the benefit of creditors, or by bankruptcy, voluntary or involuntary, or by Konkursverfahren, or by a receivership, or by any like transfer of assets, shall entitle said Farbwerke or said Metz, as the case may be, to an immediate option to buy the entire holdings of stock of said Metz or said Farbwerke at the prices stated in paragraph XIII. as to a purchase by said Farbwerke, or at the prices stated in paragraph XII. as to a purchase by said Metz. In other words, business-failure of said Metz as aforesaid, will *ipso facto* give an immediate right to said Farbwerke to purchase from his assignee, trustee, receiver, or other like person, his stock in the three American corporations at the prices stated in paragraph XIII.; and business-failure of said Farbwerke will *ipso facto* give an immediate right to said Metz to purchase from its assignee, trustee, Konkursverwalter, receiver, or other like person, its stock in said corporations at the prices stated in paragraph XII. And any transfer of the stock of said Metz or of said Farbwerke, to an assignee, trustee, Konkurs-verwalter, receiver, or any like person as aforesaid, shall be subject to, or burdened with, the right of said Farbwerke or said Metz, as the case may be, to purchase said stock at the prices stated. Such right must be exercised by making tender of the agreed price to

such assignee, trustee, Konkurs-verwalter, receiver or other like person, within three months after any such transfer; in default whereof the right so to purchase shall be deemed abandoned.

Such tender shall be made by depositing with the said Trust Company the amount to be paid, together with a written direction to pay the same over to such assignee, trustee, Konkurs-verwalter, receiver, or other like person, upon receipt from the latter of authority to deliver the stock certificates in question to the party making the tender; and by giving written notice of such deposit and direction, personally, to such assignee, trustee, Konkurs-verwalter, receiver, or other like person.

It is further agreed that the words "legal successors" or "legal representatives" in the foregoing Agreement shall be so construed as to include an assignee, trustee, Konkurs-verwalter, receiver, or other like person, wherever such construction shall be necessary to carry out the intent of said agreement and of this addendum.

It is further agreed that paragraph XIV. is to be interpreted, construed, and amplified, to mean that the Farbwerke will, as to prices, in no event permit underselling of said H. A. Metz & Co. in the markets of the United States; but in case of extraordinary or special instances, arising in the sale of the products of the Farbwerke in other countries, when it is necessary to meet special competition in such countries, the Farbwerke may, in order to meet such special competition, sell at prices below the "lowest market price" referred to in said paragraph XIV., which "lowest market price" means the general and ordinary lowest market price.

In Testimony Whereof the parties hereto have hereunto severally set their hands and seals, the day and year first above written.

The words "or otherwise" stricken out in paragraphs XIVa. and XV. before execution and the word "or" before "director" in both said paragraphs inserted before execution.

Witness:
(Sgd.) FRANK H. PIERCE.

(Sgd.) FARBWERKE VORM. MEISTER LUCIUS & BRÜNING,
D. G. BRUNING, (Seal)
Attorney in Fact.

Witness as to
DR. G. v. BRUENING:
(Sgd.) FRANK H. PIERCE.

(Sgd.) FARBWERKE VORM. MEISTER LUCIUS & BRÜNING,
By A. W. RIDDER, (Seal)
Director.

Witness as to
A. W. RIDDER,
(Sgd.) DR. H. VON MEISTER,
(Sgd.) ADOLPHUS DIEHL.
By (Sgd.) D. H. v. MEISTER, (Seal)
Director.

Witness as to
H. A. METZ:
(Sgd.) FRANK H. PIERCE.
(Sgd.) HERMAN A. METZ. (Seal)

(Sgd.) VICTOR KOECHL & CO., (Seal)
Attest By H. A. METZ,
(Sgd.) CHAS. FUEHRLEIN, *President.*
Treasurer.

(Sgd.) CONSOLIDATED COLOR & CHEMICAL CO., (Seal)
Attest By H. A. METZ,
(Sgd.) JACOB R. ROETHER, *President.*
Secretary.

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 12th day of November, 1902, before me personally come Dr. Gustav von Bruening, to me personlly known and known to me to be the Attorney in fact of Farbwerke vorm. Meister Lucius & Bruening, one of the corporations described in and which, by the said attorney in fact, executed the foregoing Agreement; and he acknowledged to me that he executed the same as the act and deed of said corporation, by virtue of a letter of attorney from the said corporation to himself, bearing date the 16th day of September, 1902.

(Seal) (Sgd.) FRANK H. PIERCE,
Notary Public #97,
New York Co.

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 12th day of November, 1902, before me personally came Herman A. Metz, to me known and known to me to be one of the individuals described in, and who executed the foregoing Agreement, and he acknowledged to me that he executed the same.

(Seal) (Sgd.) FRANK H. PIERCE,
Notary Public #97,
New York Co.

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 28th day of November 1902, before me personally came Charles Fuehrlein with whom I am personally acquainted, who being by me duly sworn, deposes and says: that he resides at 44 Madison Avenue in the City of Jersey City State of New Jersey; that he is the Treasurer of VICTOR KOECHL & Co., one of

the corporations described in and which executed the foregoing Agreement; that he is well acquainted with the corporate seal of said corporation; that the seal affixed to the foregoing Agreement is such corporate seal, and was affixed thereto by order of the Board of Directors of said corporation; and that he signed his name thereto by the like order, as Treasurer of said corporation; that he is well acquainted with Herman A. Metz and knows him to be the President of said corporation; that the signature of the said President subscribed to the said Agreement is in the genuine handwriting of the said president and was thereto subscribed by the like order of said Board of Directors in the presence of deponent.

(Seal) (Sgd.) FRANK H. PIERCE,
Notary Public, 97,
New York Co.

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 28th day of November 1902, before me personally came Jacob R. Roether with whom I am personally acquainted, who being by me duly sworn, deposes and says: that he resides at 130 Shepherd Avenue in the Borough of Brooklyn City of New York State of New York; that he is the secretary of THE CONSOLIDATED COLOR & CHEMICAL COMPANY, one of the corporations described in and which executed the foregoing Agreement; that he is well acquainted with the corporate seal of said corporation; that the seal affixed to the foregoing Agreement is such corporate seal and was affixed thereto by order of the Board of Directors of said corporation; and that he signed his name thereto by the like order as secretary of said corporation; that he is well acquainted with Herman A. Metz and knows him to be the President of said

corporation; that the signature of the said president subscribed to the said Agreement is in the genuine handwriting of the said president, and was thereto subscribed by the like order of said Board of Directors in the presence of deponent.

(Seal) (Sgd.) FRANK H. PIERCE,
Notary Public, 97,
New York Co.

UNITED STATES CONSULATE GENERAL,
FRANKFORT-ON-THE-MAIN, EMPIRE OF GERMANY, } *ss.:*

BE IT KNOWN, that on the 11th day of December 1902, before me, Richard Guenther, Consul General of the United States of America at Frankfort-on-the-Main, personally came and appeared AUGUST DE RIDDER and DR. HERB. VON MEISTER, to me personally known and known to me to be two of the Directors of FARBWERKE VORM. MEISTER LUCIUS & BRUENING, one of the corporations described in, and which by the said Directors executed the foregoing Agreement, and severally acknowledged that they executed the same as such Directors, and acknowledged said Agreement to be the act and deed of said corporation.

IN TESTIMONY WHEREOF I have hereunto subscribed my name and affixed the seal of
(Seal) the said Consulate General, the day and year last above written.

(Sgd.) RICHARD GUENTHER,
Consul General.

* * * * * * * * * * * *
* No. 864 *
* Fee of $2.00, or *
* Mks. 8.50, rec'd *
* * * * * * * * * * * *

NOTE to paragraphs I., VII., and XIII., of the Agreement between FARBWERKE VORM. MEISTER LUCIUS & BRUENING, HERMAN A. METZ, VICTOR KOECHL & Co., and THE CONSOLIDATED COLOR & CHEMICAL COMPANY, bearing date the day of 1902.

The said Farbwerke and the said Metz, being desirous that their reason for fixing the price of Two Hundred and Fifty Thousand 00/100 ($250,000.00) Dollars upon the original fifteen hundred (1500) shares of H. A. Metz & Co. mentioned in said paragraph XIII., should appear of record, hereby declare such reason to be that said sum of $250,000 when added to the $50,000 to be paid by the Farbwerke to the said Metz under said paragraph VII., will make a total of $300,000 to be paid in the event that the said Farbwerke acquires all of the 2,000 shares of H. A. Metz & Co. described in said paragraph I.; $300,000 being the same sum which was paid by the said Metz for the business of Victor Koechl & Co. when he purchased the same from its former owner.

Dated, New York, Nov. 12th 1902.

(Sgd.) HERMAN A. METZ,

FARBWERKE VORM. MEISTER LUCIUS & BRUENING.

By (Sgd.) A. DE RIDDER,
Director.

By (Sgd.) D. H. v. MEISTER,
Director.

PLAINTIFF'S EXHIBIT No. 408.

AGREEMENT made the 4TH DAY OF AUGUST, 1905, between the FARBWERKE VORM. MEISTER LUCIUS & BRUNING, a corporation organized and existing under the laws of Germany, having its principal office in Hoechst-

on-M, near Frankfort-on-M (herein called the Farbwerke); HERMAN A. METZ, of the City of New York; VICTOR KOECHL & Co., a corporation organized and existing under the Laws of West Virginia, having its principal office in the City of New York; the CONSOLIDATED COLOR & CHEMICAL COMPANY, a corporation organized and existing under the laws of New Jersey, having its principal office in Newark in the same State, and H. A. METZ & Co., a corporation organized and existing under the Laws of New York, having its principal office in the City of New York in the same State.

BE IT KNOWN:

WHEREAS it is expedient to alter and amend in several respects the agreement made on the 12th day of November, 1902, between the first four parties above named, the following has been agreed upon by way of supplement to the said agreement.

I: Herman A. Metz agrees and the Farbwerke likewise agrees that the said Metz continue to act as heretofore as Manager of the above named three American corporations, for the term of seven years from the 1st day of January, 1905, provided that the Farbwerke do not in the meantime become the owner or acquire the control of the total capital stock of such three corporations, in which event the position of said Metz as Manager shall *ipso facto* cease, as has been provided in the agreement of November 12th, 1902. In any event the position of said Metz as Manager shall end on the 31st day of December, 1911, unless the said Metz and the said Farbwerke shall before that time have agreed that the said Metz shall continue to act as Manager for the three corporations.

II: From the first day of January, 1905, throughout the time during which the said Metz shall act as Manager of the three corporations, Herman A. Metz and the Farbwerke shall so divide the profits of said three corporations that the Farbwerke shall receive one-half of the entire profit of each corporation. Accordingly, the said Metz agrees, insofar as the Farbwerke would be entitled to less than the half as shareholder of the corporations, to pay to the Farbwerke the balance of the said half out of the share of profits coming to him; the Farbwerke on its part accordingly agrees, insofar as it would receive more than half of the total profits of any corporation as a shareholder, to pay over the overplus to the said Metz. Nevertheless, after the expiration of five years, that is to say, from and after January 1st, 1910, if the Farbwerke shall deem it expedient and shall demand it for the remaining time during which the said Metz is to act as Manager, the profit of the Hoechst Color Company shall be so divided that the said Metz shall receive one-fourth of the same—that of the remaining three-fourths of the principal employees shall first of all receive a suitable portion to be agreed upon (and, accordingly, the said Metz will allow nothing more to the employees out of his own profits), and that the Farbwerke shall receive the profit then still remaining.

The Farbwerke agrees further to pay over to the said Metz during the time for which he acts as Manager of the three corporations, one-fourth of the profits which they will derive from sales to such three corporations.

III: Said Metz and H. A. Metz & Co. agree that the name of the said H. A. Metz & Co. will be changed to Hoechst Color Company, at the time when the

Farbwerke may deem such change expedient and may demand it. By this change of name nothing will be altered as to any agreements or relations of the contracting parties—but the Hoechst Color Company will in every respect take the place of H. A. Metz & Co.

The Farbwerke also reserves the right to install as President of the Hoechst Color Company, one of its (the Farbwerke's) Board of Directors (Aufsichtsrath) or Managing Board (Vorstand), in lieu of the said Metz, who is at this time President of H. A. Metz & Co., and who accordingly is also in contemplation as President of the Hoechst Color Company.

IV: H. A. Metz & Co. (or as the case may be, the Hoechst Color Company) agrees not to buy or sell any products competing with those of the said Farbwerke, without reporting such purchases to the Farbwerke, for its approval or disapproval. The said H. A. Metz & Co. (or the Hoechst Color Company) agrees to send a report every three months to the Farbwerke, of all such competing products purchased, whether with or without its permission, and to deliver samples of said products to the Farbwerke if it shall so desire, and, furthermore, to send to the Farbwerke as often as it may so demand, a statement of the stock-in-trade on hand, and to give to the Farbwerke weekly, when requested, a statement of all goods and wares delivered, with the prices. From and after the time of the change of name from H. A. Metz & Co. to Hoechst Color Company, all goods sold by the Hoechst Color Company shall be branded or labeled with no other name than that of the Hoechst Color Company.

V: Herman A. Metz agrees to sell and transfer to the Farbwerke, for the sum of Sixty Thousand

00/100 ($60,000.00) Dollars in cash, an additional six hundred shares of the capital stock of H. A. Metz & Co. After the sale and transfer of these six hundred shares, in case there should be an increase of the capital stock of H. A. Metz & Co. (or Hoechst Color Company), the new shares shall be divided between the said Metz and the said Farbwerke (if both are at that time still stockholders) in proportion to their holdings of stock.

Herman A. Metz further agrees to sell and transfer to the Farbwerke, for the sum of Twenty-five Hundred 00/100 ($2,500.00) Dollars in cash, an additional twenty-five shares of the capital stock of Victor Koechl & Co.

The Farbwerke will, furthermore, pay to the said Metz the sum of Forty Thousand 00/100 ($40,000.00) Dollars in cash, upon the shares of H. A. Metz & Co. thus transferred.

The Farbwerke remains entitled, as provided in the agreement of November 12th, 1902, in case the said Metz should die or should withdraw from the active management of said three American corporations, to acquire from him or his personal representatives or legal successors, all shares still owned or controlled by him or them.

Nevertheless, in that event, if the said Farbwerke shall already have acquired the further six hundred shares from Metz as above contemplated, the price of the original nine hundred shares of H. A. Metz & Co. (or of the Hoechst Color Company), which shall still belong to the said Metz, shall be One Hundred and Fifty Thousand 00/100 ($150,000) Dollars.

If the said Farbwerke shall decline (after having previously acquired the six hundred shares) to take

over the said original nine hundred shares from the said Metz or his personal representatives or legal successors, then it must pay to the said Metz or his personal representatives or legal successors upon the eleven hundred shares owned by it, an additional Fifteen Thousand 00/100 ($15,000) Dollars, so that the price of each share will be One Hundred and Fifty 00/100 ($150.00) Dollars.

VI: Said Victor Koechl & Co., and the said Consolidated Color & Chemical Company, agree at any time when the said Farbwerke shall so demand, to transfer to the said H. A. Metz & Co. (or said Hoechst Color Company), at book value, their entire business, with all books, moneys, stock of goods, credits, apparatuses, plants, patents, trade-marks, contracts, goodwill and everything else pertaining to the business, and to dissolve and liquidate. The said H. A. Metz & Co. (or Hoechst Color Company) agrees at the time when the said Farbwerke may so demand, to take over at book value the entire business of the said Victor Koechl & Co., and of the said Consolidated Color & Chemical Company.

VII: Except as modified by the foregoing agreement, the earlier agreement of November 12th, 1902, continues in force unchanged, and shall be deemed to have been made for a period extending to December 31st, 1911, instead of for five years from January 1st, 1903, only.

The provisions of Paragraph X. of said contract of November 12th, 1902, shall, of course, apply to the transfers of stock to the Farbwerke, under this present agreement of August 4th, 1905.

IN TESTIMONY WHEREOF the parties hereto have hereunto severally set their hands and seals, the day and year first above written.

FARBWERKE VON MEISTER, LUCIUS
(Seal) & BRÜNING.

Witness as to
DR. G. BRUENING
DR. HERBERT VON MEISTER
JEAN GRUND.

(Seal) By (Sgd.) DR. G. BRUNING,
Director.

and by

Witness as to
First Director.
(Sgd.) ADOLF HAEUSER,

(Seal) (Sgd.) D. HERBERT VON MEISTER,
Director.

Witness as to
Second Director.
(Sgd.) HEINRICH HAHN.

(Seal) (Sgd.) HERMAN A. METZ.

Witness as to
H. A. METZ,
(Sgd.) J. A. WYGANT.

CONSOLIDATED COLOR &
(Seal) CHEMICAL CO.,
(Sgd.) H. A. METZ,
President.

Attest
(Sgd.) JACOB R. ROETHER,
Secretary.

(Seal) VICTOR KOECHL & CO.,
(Sgd.) H. A. METZ,
President.

Attest
(Sgd.) CHAS. FUEHRLEIN,
Treasurer.

(Seal) H. A. METZ & CO.,
(Sgd.) H. A. METZ,
President.

Attest
(Sgd.) CHAS. FUEHRLEIN,
Treasurer.

UNITED STATES CONSULATE GENERAL,
FRANKFORT-ON-THE-MAIN, EMPIRE OF GERMANY, } *ss.:*

BE IT KNOWN, that on the 23rd day of November, 1905, before me, Richard Guenther, Consul General of the United States of America, at Frankfort-on-the-Main, personally came and appeared Dr. G. Brüning and Dr. Herbert Von Meister to me personally known and known to me to be two of the Directors of FARBWERKE vorm. MEISTER LUCIUS & BRUNING, one of the corporations described in, and which by the said Directors executed the foregoing Agreement, and severally acknowledged that they executed the same as such Directors, and acknowledged said Agreement to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the seal of the said Consulate General, the day and year last above-written.

(Sgd.) RICHARD GUENTHER,
U. S. Consul General.

(Seal)

No. 848
Fee of $2.00 or
Mks. 8.50 rec'd

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } *ss.:*

On the 21st day of October, 1905, before me personally came HERMAN A. METZ, to me known and known to me to be one of the individuals described in, and who executed the foregoing Agreement, and he acknowledged to me that he executed the same.

(Sgd.) JOSEPHINE A. WYGANT,
(Seal) *Notary Public, Kings County*
Cert. filed in N. Y. Co.

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } *ss.:*

On this twenty-first day of October, 1905, before me personally came CHARLES FUEHRLEIN, with whom I am personally acquainted, who being by me duly sworn, deposes and says: that he resides at #44 Madison Ave., in the City of Jersey City, State of New Jersey; that he is the Treasurer of VICTOR KOECHL & Co., one of the corporations described in, and which executed the foregoing Agreement; that he is well acquainted with the corporate seal of said corporation; that the seal affixed to the foregoing Agreement is such corporate seal, and was affixed thereto by order of the Board of Directors of said corporation; and that he signed his name thereto by the like order, as Treasurer of said corporation; that he is well acquainted with HERMAN A. METZ, and knows him to be the President of said corporation; that the signature of the said President subscribed to the said Agreement is in the genuine handwriting of the said President and was thereto subscribed by the like order of said Board of Directors in the presence of deponent.

(Sgd.) JOSEPHINE A. WYGANT,
(Seal) *Notary Public, Kings County.*
Cert. filed in N. Y. Co.

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 21st day of October, 1905, before me personally came JACOB R. ROETHER, with whom I am personally acquainted, who being by me duly sworn, deposes and says: That he resides at No. #130 Shepherd Ave., Borough of Brooklyn, City of New York, State of New York; that he is the Secretary of the

CONSOLIDATED COLOR & CHEMICAL COMPANY, one of the corporations described in, and which executed the foregoing Agreement; that he is well acquainted with the corporate seal of said corporation; that the seal affixed to the foregoing Agreement is such corporate seal, and was affixed thereto by order of the Board of Directors of said corporation; and that he signed his name thereto by the like order as Secretary of said corporation; that he is well acquainted with HERMAN A. METZ, and knows him to be the President of said corporation; that the signature of the said President subscribed to the said Agreement is in the genuine handwriting of the said President, and was thereto subscribed by the like order of said Board of Directors in the presence of deponent.

(Sgd.) JOSEPHINE A. WYGANT,
(Seal) *Notary Public, Kings County.*
Cert. filed in N. Y. Co.

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 21st day of October, 1905, before me personally came CHARLES FUEHRLEIN, with whom I am personally acquainted, who being by me duly sworn, deposes and says: That he resides at #44 Madison Ave., in the City of Jersey City, State of New Jersey; that he is the Treasurer of H. A. METZ & Co., one of the corporations described in, and which executed the foregoing agreement; that he is well acquainted with the corporate seal of said corporation; that the seal affixed to the foregoing agreement is such corporate seal, and was affixed thereto by order of the Board of Directors of said corporation; and that he signed his name thereto by like order as Treasurer of said corporation; that he is well acquainted with HERMAN

A. METZ, and knows him to be the President of said corporation; that the signature of said President subscribed to the said Agreement is in the genuine handwriting of the said President, and was thereto subscribed by the like order of the said Board of Directors, in the presence of deponent.

(Sgd.) JOSEPHINE A. WYGANT,
(Seal) *Notary Public, Kings County.*
Cert. filed in N. Y. Co.

PLAINTIFF'S EXHIBIT No. 409.

Duplicate Original

SUPPLEMENTAL AGREEMENT made this 26 day of September, 1904, between Farbwerke vorm. Meister Lucius & Bruening, Herman A. Metz. Victor Koechl & Co., and The Consolidated Color & Chemical Company; WITNESSETH:

WHEREAS, the said parties entered into an agreement as to certain business and stock transactions, which agreement is dated November 12, 1902, by virtue of which certain certificates of stock were deposited in the Eastern Trust Company in the City of New York; and

WHEREAS, the affairs of said Eastern Trust Company are about to be wound up owing to a voluntary dissolution, and said company, therefore, can no longer execute the trust as to said securities;

Now, it is agreed by and between the parties to said agreement of November 12, 1902, that said agreement shall be considered amended by substituting for the words "The Eastern Trust Company in the City of New York," wherever they occur, the words "Guardian Trust Company," and that all of the

duties, rights and obligations of said Eastern Trust Company be transferred to and assumed by the Guardian Trust Company; so that the securities hitherto held by said Eastern Trust Company under said agreement of November 12, 1902, may hereafter be held by said Guardian Trust Company under the terms of said agreement precisely as if said latter company had been mentioned in said agreement in place of said Eastern Trust Company.

Pursuant to the terms of said agreement of November 12, 1902, said Herman A. Metz and said Farbwerke hereby direct that the securities now held by said Eastern Trust Company and which were deposited with it by said Metz and said Farbwerke on February 4, 1903, be delivered, together with the copy of the agreement of November 12, 1902, at the time deposited with said Eastern Trust Company, to said Metz and to Fred. W. and A. E. Hinrichs, attorneys at law of 76 William Street, Manhattan, N. Y., representing said Farbwerke, in order that said securities may be deposited with the Guardian Trust Company under an agreement with the latter company such as was entered into with the Eastern Trust Company at the time of the deposit of said securities with it.

IN TESTIMONY WHEREOF the parties hereto have hereunto severally set their hands and seals the day and year first above written.

Witness as to

No. 288 N Ave. Reg. No. 1904.

Nebenstehende Namensunterschrift des Vorstandes der Aktien-Gesellschaft Farbwerke, vorm. Meister Lucius u. Brüning, Höchst a. M., des Hrn. August de Ridder zu Höchst ist in meiner Gegenwart heute eigenhändig von Ihm vollzogen.

Höchst a. M. 1904, Septemb. 16,

der königliche Notar,

(Sgd.) L. FEINGOLD.

Witness as to

Nebenstehende Namensunterschrift des Mitgliedes des Vorstandes der Aktien-Gesellschaft Farbwerke vorm. Meister Lucius u. Brüning Höchst a. M., des Hrn. Dr. Gustav von Brüning zu Höchst a. M., ist in meiner Gegenwart heute eigenhändig von Ihm vollzogen.

Höchst a. M. 1904, Septemb. 16,
der königliche Notar,
(Sgd.) L. FEINGOLD.

FARBWERKE VORM. MEISTER LUCIUS & BRUENING, (Seal)
(Sgd.) AUGUST DE RIDDER.

FARBWERKE VORM. MEISTER LUCIUS & BRUENING, (Seal)
DR. GUSTAV VON BRUENING.

Witness as to
HERMAN A. METZ:
(Sgd.) FRED W. HINRICHS.

HERMAN A. METZ. (Seal)
VICTOR KOECHL & CO., (Seal)
(Sgd.) By H. A. METZ,
President.

Attest:
(Sgd.) CHAS. FUEHRLEIN,
Treasurer.

CONSOLIDATED COLOR & CHEMICAL CO., (Seal)
(Sgd.) By H. A. METZ,
President.

Attest:
(Sgd.) CHAS. FRANKLIN,
(Sgd.) CHAS. FUEHRLEIN,

UNITED STATES CONSULATE GENERAL,
FRANKFORT-on-the-MAIN, Empire of Germany, } *ss.:*

BE IT KNOWN, that on the 26th day of September, 1904, before me, George H. Murphy, Vice and Deputy Consul General of the United States of America at Frankfort-on-the-Main, personally came and appeared August de Ridder and Dr. Gustav von Brüening, to me personally known and known to me to be two of the Directors of Farbwerke vorm. Meister Lucius & Bruening, one of the corporations described in and which by the said Directors executed the foregoing instrument, and severally acknowledged that they executed the same as such Directors, and acknowledged said instrument to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the seal of (Seal) the said Consulate General, the day and year last above written.

(Sgd.) GEORGE H. MURPHY,
American Vice & Dep. Consul General.

* * * * * * * * *
* No. 690 *
* Fee of $2.00 or *
* Mks. 8.50, rec'd *
* * * * * * * * *

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 17th day of October, 1904, before me personally came Herman A. Metz, to me known and known to me to be one of the individuals described in, and who executed the foregoing Agreement, and he acknowledged to me that he executed the same.

(Sgd.) JOSEPH B. BRAMAN,
(Seal) *Notary Public, New York County*
120 and 1274 Broadway, New York City.

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, *ss.:*

On this 17th day of October, 1904, before me personally came Charles Fuehrlein, with whom I am personally acquainted, who being by me duly sworn, deposes and says: that he resides at 44 Madison Avenue, in Jersey City, State of New Jersey; that he is the treasurer of Victor Koechl & Co., one of the corporations described in, and which executed the foregoing Agreement; that he is well acquainted with the corporate seal of said corporation; that the seal affixed to the foregoing Agreement is such corporate seal, and was affixed thereto by order of the Board of Directors of said corporation; and that he signed his name thereto by the like order, as treasurer of said corporation; that he is well acquainted with Herman A. Metz, and knows him to be the President of said corporation; that the signature of the said President subscribed to the said Agreement is in the genuine handwriting of the said President and was thereto subscribed by the like order of said Board of Directors in the presence of deponent.

(Sgd.) CHAS. FUEHRLEIN.

Sworn to before me this
17th day of October,
1904.

(Sgd.) JOSEPH B. BRAMAN.
(Seal) *Notary Public N. Y. Co.*,
120 and 1274 B'way, N. Y. City.

STATE OF NEW YORK,
CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 17th day of October, 1904, before me personally came Charles Fuehrlein, with whom I am per-

sonally acquainted, who being by me duly sworn, deposes and says: that he resides at 44 Madison Avenue, in Jersey City, State of New Jersey; that he is the treasurer of The Consolidated Color & Chemical Company, one of the corporations described in, and which executed the foregoing agreement; that he is well acquainted with the corporate seal of said corporation; that the seal affixed to the foregoing agreement is such corporate seal and was affixed thereto by order of the Board of Directors of said corporation; and that he signed his name thereto by the like order as treasurer of said corporation; that he is well acquainted with Herman A. Metz and knows him to be the President of said corporation; that the signature of the said President subscribed to the said Agreement is in the genuine handwriting of the said President, and was thereto subscribed by the like order of said Board of Directors in the presence of deponent.

(Sgd.) CHAS. FUEHRLEIN.

(Sgd.) JOSEPH B. BRAMAN,
(Seal) *Notary Public,*
New York County,
120 and 1274 Broadway,
New York City.

PLAINTIFF'S EXHIBIT No. 410.

AGREEMENT made the 22ND DAY OF JULY 1912, between FARBWERKE VORM. MEISTER LUCIUS & BRUENING, a corporation organized and existing under the Laws of Germany, having its principal place of business at Hoechst, near Frankfort-on-the-Main (hereinafter called the German corporation), HERMAN A. METZ, of the City of New York, H. A. METZ & Co., a corporation organized and existing under the Laws of the State

of New York, and VICTOR KOECHL & Co., a corporation organized and existing under the Laws of West Virginia, WITNESSETH:—

1: H. A. Metz & Co., has instituted, and shall carry through to completion with all practicable dispatch, a proceeding under the statute in such case made and provided, for the change of its corporate name from the present name H. A. METZ & Co., to the name FARBWERKE-HOECHST COMPANY. As soon as such change of name shall take place, notice thereof shall be given by said Company to all persons having business relations with H. A. METZ & Co.; and the new name shall be employed upon the signs, labels, stationery, goods and other places and things upon which the name H. A. METZ & Co. has customarily appeared; and said new name shall thenceforth be used to the exclusion of the name H. A. METZ & Co. But it shall be permissible to use in connection with the name FARBWERKE-HOECHST COMPANY, the phrase "formerly H. A. METZ & Co.," or some other phrase of similar tenor; and such phrase shall be used so long, and in such form, as the German corporation may direct. Whenever in this contract H. A. METZ & Co. is referred to, it shall be understood that FARBWERKE-HOECHST COMPANY is implied, if the context permits.

2. Immediately upon the execution of this contract, the said HERMAN A. METZ shall sell, assign, transfer and set over to the said German corporation, eight hundred and ninety (890) shares of the capital stock of H. A. Metz & Co., and the said German corporation shall pay to the said METZ therefor the sum of One Hundred and Fifty Thousand Dollars ($150,000) in cash in lawful money of the United States. The said German corporation having heretofore acquired eleven hundred (1100) shares of the said capital stock, which 1100 shares still stand, however, upon the stock-book of the said H. A. METZ & Co., in the

name of the said HERMAN A. METZ, and (or) certain employees of H. A. METZ & Co.—it is agreed that the said 1100 shares heretofore acquired, and the said 890 shares hereafter to be acquired by the said German corporation, shall be forthwith transferred upon the books of H. A. METZ & Co. to the name of the said German corporation. Stock-transfer stamps as required by the laws of the State of New York, shall be duly affixed and canceled, at the expense of the vendor. The certificates of stock for said 1990 shares issued, and to be issued, pursuant to this agreement, to the said German corporation, shall be deposited in the Guardian Trust Company of New York, subject to the exclusive control and order of the said German corporation; and the fees and charges of the Guardian Trust Company for acting as custodian of said stock certificates shall be paid by the said German corporation.

3: The remaining 10 shares of the issued and authorized capital stock of H. A. METZ & Co., shall remain the outright property of HERMAN A. METZ, and shall stand in his name upon the books of the corporation.

4: Proceedings have been instituted, and shall be promptly carried to a conclusion, pursuant to the statute in such case made and provided, for the increase of the number of directors of H. A. METZ & Co. from three (the present number) to five. Such amendments of the By-Laws of H. A. METZ & Co. shall be promptly adopted, as may be required by reason of the change of name of the company, and the consequent change in the legend upon the seal of the company, and said By-Laws shall be further amended to provide for the election of two Vice-Presidents, instead of one as heretofore, and to provide that directors or officers holding over or appointed to fill a vacancy or serve an unexpired term, shall be subject to

summary removal by the stockholders at any meeting duly called. Thereupon the directors now in office (except the said Metz) and those first appointed to bring the Board to its increased membership of five, shall respectively resign, and shall be reappointed to fill the vacancies caused by such resignations; and the officers (except the said Metz) shall in like manner resign, and be re-appointed to fill the vacancies caused by such resignations.

5: As soon as may be after the change of name and re-organization of H. A. METZ & Co., as heretofore provided, VICTOR KOECHL & Co. shall liquidate its affairs, go out of business, and become dissolved, in manner following: Said H. A. METZ & Co. shall forthwith institute a new department, to be known as the Pharmaceutical Department, which shall take over and continue the business that has heretofore been conducted by VICTOR KOECHL & Co., including dealing in the article known as "Salvarsan," and which shall conduct all the future pharmaceutical business of H. A. METZ & Co. The German corporation will transfer its consignment account from VICTOR KOECHL & Co. to said Pharmaceutical Department. Victor Koechl & Co. will then have no assets except cash and accounts receivable, and no liabilities except an indebtedness to the German corporation. VICTOR KOECHL & Co. will do no new business, but will collect said accounts receivable, pay off said indebtedness, and from time to time distribute all of the cash on hand and to be so collected (less necessary expenses of collection, and less expenses incidental to dissolution as hereinafter provided) one-half to the German corporation (owner of 50% of the capital stock of Victor Koechl & Co.) and one-half to Herman A. Metz (owner of the remaining 50% thereof). When the collection and distribution aforesaid are complete, the certificates of stock of Victor Koechl & Co. shall be surrendered to that

company for cancellation, and thereupon the said company shall institute and carry to conclusion appropriate proceedings looking to a dissolution or other termination of its corporate existence. And the said Metz is hereby appointed Attorney in Fact of the German corporation, with power of substitution and revocation, in the name or on behalf of said corporation to do and perform any act or thing, and to execute any writing, that may be requisite or expedient for carrying out the provisions of this paragraph.

6: Separate books of account shall be kept by H. A. METZ & Co., one set for the business and transactions of its general business (meaning all of its business except that of its Pharmaceutical Department), —and one set for those of its Pharmaceutical Department; and the German corporation shall keep separate accounts of the pharmaceutical business transacted by it with H. A. METZ & Co. And the said Metz shall receive on account of compensation for his services as President and General Manager as hereinafter provided, twenty-five *per cent* of any net profits earned by the said German corporation in its dealings in pharmaceutical products with H. A. Metz & Co., and twenty-five *per cent* of any sums distributed as dividends by H. A. Metz & Co., out of the profits of its Pharmaceutical Department.

7: HERMAN A. METZ shall be retained, and agrees to serve, as President and General Manager of H. A. METZ & Co., at least until the 31st day of December, 1916, and thereafter for one year, in the absence of written notice, given at least six months in advance, by the said German corporation to said Metz, or by said Metz to the German corporation, that his term is to end on December 31st, 1916. And if not sooner terminated as aforesaid, then after December 31st, 1917, the term of said Metz as President and General Manager shall continue from year to year in the ab-

sence of such notice, given at least six months in advance, that said term shall cease on the 31st day of December then next ensuing. So long as the said Metz remains President and General Manager as aforesaid, he shall receive one-half of the net profits (except profits of the Pharmaceutical Department already provided for) that may from time to time be distributed by H. A. Metz & Co., as dividends. Out of the fifty *per cent.* of dividends thus paid to the said Metz, he shall retain twenty-five per cent. to his own use on account of his compensation, and shall personally distribute to certain of the other important employees of H. A. Metz & Co., the other twenty-five per cent. as a bonus in addition to salaries. But the said German corporation reserves the right at any time, upon written notice to said Metz, to re-arrange the distribution of such dividends, so that but one-fourth of such dividends thus distributed from time to time as aforesaid, shall be paid to the said Metz, on account of his compensation, and so that an amount equal to one-fourth of such dividends shall be divided by the German corporation direct among said other employees. But if the German corporation so undertakes the payment of bonuses to employees at any time before December 31st, 1916, it shall continue until such date and out of said amount equal to one-fourth of such dividends, to give to each of the said employees annually the same proportion of such dividends as the said Metz will be giving as of the time when the German corporation itself undertakes the distribution. Such proportion of dividends shall be paid as of the period in which they were earned. The shares of profits and dividends to be paid to the said Metz, as provided for in this and the preceding paragraph—shall be in full of his compensation.

7a: The powers and duties of said Metz as President and General Manager, shall be such as he has

heretofore enjoyed and performed. He is hereby expressly authorized to determine the amount to be paid from time to time as dividends out of profits; provided that in the future, as in the past, due regard shall be had, in declaring dividends, to the needs of the business for a surplus in addition to capital to provide sufficient working-funds. And he is further expressly authorized (except as hereinbelow provided) to fix all regular salaries and compensation of employees of said H. A. METZ & Co., as well as the expenses of said company generally. Any bonus or premium paid to any of the employees in addition to salary, as hereinabove provided, must continue to be a charge upon the share of the said Metz personally in the profits or dividends, so long as the distribution of such bonus is left to him, and a charge upon the German corporation if it undertakes such distribution, and is not to be deemed an expense of the business of said H. A. METZ & Co. On the execution of this agreement, the said Metz will furnish to the German corporation a schedule of the salaries of the principal employees of said H. A. METZ & Co., and he agrees that he will not increase nor allow to be increased the compensation of Gagnebin, Fuehrlein, Widmann, Hein or himself, whether by way of salary, or by way of bonus, without the consent of the German corporation first obtained.

8: The dividends of H. A. METZ & Co. shall be paid in the usual manner to the holders of record of its stock; but in making division thereof between the German corporation and Herman A. Metz, the entire sum paid as dividends to all stockholders out of the profits of the general business shall be regarded as one amount, and the entire sum so paid out of the profits of the Pharmaceutical Department shall be regarded as another amount; and said entire sums shall be the basis for calculating the above fifty *per cent.* or

the twenty-five *per cent.* (as the case may be). And the said Metz shall have no separate claim to the dividends, on the ten shares of stock of which he is to remain owner. Those portions of the profits of the pharmaceutical business of the German corporation, and those portions of the dividends of H. A. Metz & Co., out of the profits of its general business and out of the profits of its Pharmaceutical Department, which are not to be paid to Metz as aforesaid, are to be the property of the German corporation, subject only to the bonuses payable to employees as aforesaid if the German corporation elects to undertake such distribution.

9: In order that it may be practicable to pay dividends and make distribution of the amount thereof as above provided, and to attend to the necessary details of the business in the United States, the said German corporation will give to the said Metz a power of attorney authorizing him to receive, collect and give acquittance for, all dividends or other moneys of H. A. METZ & Co. (FARBWERKE-HOECHST COMPANY), payable or belonging to the said German corporation, and to deposit, and draw against, such dividends and moneys. And the said German corporation will also give to the said Metz a power of attorney or proxy to enable him to vote in its behalf at any special or annual meeting of stockholders of the said H. A. METZ & Co. Neither of the said powers of attorney shall be revocable so long as said Metz continues to be President and General Manager.

10: When the said Metz, whether pursuant to notice as aforesaid, or by reason of death or resignation by reason of mental or physical incapacity, or for any other reason, except a wilful breach of this contract on his part, ceases to be President and General Manager as aforesaid, there shall be paid to him or his estate his above-specified proportions of the profits and div-

idends as above provided, for the following periods: If he so ceases at a time on or after January 1st, and before July 1st, then he or his estate shall receive his above-specified proportions (so far as not already drawn by or paid to him) of the profits and dividends for the six months ending June 30th; while if he so ceases at a date on or after July 1st, and before January 1st, he or his estate shall receive his above-specified proportions of the profits and dividends (so far as not already drawn by or paid to him) for the entire year ending December 31st. The total amount of the dividends for any such period, shall be in the same proportion to the actual profits of such period as the dividends of the previous year bore to the actual profits of such previous year, unless it shall hereafter be agreed by the said German corporation and the said Metz, in a supplemental agreement in writing signed by them both, that this paragraph shall be otherwise construed.

11: And the said German corporation agrees that if the obligations under this agreement by the other parties to be performed are faithfully performed by them, the said H. A. METZ & Co., so long as the said Metz remains President and General Manager as aforesaid, shall have the exclusive sale of the products of the said German corporation in the United States of America; and the said German corporation during the said term will not, directly or indirectly, sell any of its products to any other person, association or corporation in the United States of America, without the written consent of the said Metz first obtained; and during the said period it will sell its products to the said H. A. Metz & Co. at their lowest market prices, and will not, directly, or indirectly, sell any of its products to any person, association or corporation in any part of the world, except to European manufacturers of goods similar to the products of said Ger-

man corporation, at a lower price or upon more favorable terms than those given to the said H. A. Metz & Co. This paragraph is understood to mean that the German corporation will, as to prices, in no event permit underselling of said H. A. Metz & Co. in the markets of the United States; but in case of extraordinary or special instances, arising in the sale of the products of the German corporation in other countries, when it is necessary to meet special competition in such other countries, the German corporation may, in order to meet such special competition, sell at prices below the "lowest market price" above referred to, which "lowest market price" means the general and ordinary lowest market price.

12: The said Metz agrees that so long as he remains President and General Manager as aforesaid, and in any event until the 1st day of January, 1917, he will not, without the written consent of the said German corporation first obtained, directly or indirectly, as principal, agent, employee, partner or director, engage or become interested in any other business of a nature kindred to that of any of the corporations which are parties to this agreement, nor permit the use of his name in any such business, except that he may continue his present connection with the CONSOLIDATED COLOR & CHEMICAL COMPANY, a New Jersey corporation (in which Company, or its stock, said German corporation is no longer interested), so long as said Consolidated Color & Chemical Co. does not compete in other kinds of products than those which it now manufactures and deals in. On the execution of this Agreement, said Metz shall furnish to said German corporation a list of the products of the Consolidated Color & Chemical Co., which enter into competition with those of any of the corporations which are parties to this agreement. And until said 1st day of January, 1917, the agreement in this paragraph contained

shall remain in force even though the said Metz should cease to be President and General Manager as aforesaid; but after the last-mentioned date, the agreement in this paragraph contained shall remain in force only so long as the said Metz shall remain President and General Manager as aforesaid.

13: The said Metz, as President and General Manager, will, while he continues in such capacity, within three months next after January 1st, and July 1st, in each year, render to the said German corporation a full, just, true and detailed account in writing of the assets and liabilities, profits and losses, earnings and expenses, of the general business and (separately) of the Pharmaceutical Department of said H. A. Metz & Co., as of January 1st or July 1st, as the case may be. For the purposes of the July account, the value of assets on hand may be estimated; but account of stock shall be accurately taken for the purpose of the January statement. He further agrees that during each month while he continues in such capacity, he will make a written report to the said German corporation, containing a copy of the Minutes of Directors' and Stockholders' meetings, certified by the Secretary or Assistant Secretary of H. A. Metz & Co., and a general outline of the business of the said company for the month preceding such report. And the said minutes shall be a full and true record of all proceedings of such Directors' and Stockholders' meetings.

14: In case for any reason the said Metz ceases before December 31st, 1916, to be President and General Manager as aforesaid, if Messrs. Gagnebin, Fuehrlein, Widmann and Hein (who are amongst the important employees referred to in paragraph 7 of this Agreement) or either of them, are or is, at the time still in the service of H. A. Metz & Co., the said German corporation will cause their or his employment to be continued by the said H. A. Metz & Co.

until December 31st, 1916, upon the same terms as to salary, bonus and duties to be performed, as may be in force at the time between the said employees respectively on the one hand, and the said H. A. Metz & Co., and (or) said Metz on the other hand; upon the condition, however, that each of the employees in question shall at the time agree in writing with his employer and with the German corporation that he will not at any time within two years after January 1st, 1917, engage, directly or indirectly, in any competing business.

15: Any notice to be given by any of the parties to this agreement to any other party, shall be in writing, and may be delivered personally or by registered mail; but if given by registered mail, it must be sent in duplicate, each counterpart being enclosed in a separate envelope, one to be mailed on the day of its date, and the other not less than one week nor more than ten days thereafter. A notice given by mail shall be deemed to have been given on the day of the mailing of the first counterpart. If the length of notice is not otherwise specified by this agreement, thirty days' notice shall be understood. Notices by mail shall be addressed as follows:

H. A. METZ, 122 Hudson Street, New York City.
FARBWERKE VORM. MEISTER LUCIUS & BRUENING,
Hoechst a/M., Germany.
H. A. METZ & Co. or
FARBWERKE-HOECHST COMPANY,
122 Hudson Street, New York City.
VICTOR KOECHL & Co.,
122 Hudson Street, New York City.

16: So long as paragraph 11 of this agreement remains in force, the said H. A. Metz & Co. agrees not to buy or sell any products competing with those of the said German corporation, without referring each

such transaction to the German corporation for its approval or disapproval. And said H. A. Metz & Co. agrees to send a report every three months to the German corporation of all such competing products purchased, whether with or without its permission, and to deliver samples of said products to the German corporation, if it shall so desire, and furthermore to send to the German corporation as often as it may so demand, a statement of the stock-in-trade on hand, and to give to the German corporation weekly, when requested, a statement of all goods and wares delivered, with the prices.

17: Should any dispute arise between or among the parties to this agreement, under or concerning the terms thereof, such dispute shall be submitted to three arbitrators, of whom one shall be appointed by the said German corporation, its legal representatives or successors; one shall be appointed by the said Metz, or his legal representatives, and the third shall be appointed by the two thus chosen. And the award or determination of any two of the said three arbitrators, shall be binding and conclusive upon all of the parties to this agreement.

18: This agreement merges and supersedes all previous agreements between the parties in relation to the same subject-matter, and especially the written agreement dated November 12th, 1902, between the said German corporation, Herman A. Metz, Victor Koechl & Co., and Consolidated Color & Chemical Co., also the written agreement signed and acknowledged by Herman A. Metz, in the presence of Charles Edgar Mills, on February 4th, 1903; also the written agreement dated August 4th, 1905, between the said German corporation, Herman A. Metz., Victor Koechl & Co., the Consolidated Color & Chemical Co., and H. A. Metz & Co., also a supplement or postscript subscribed by the said German corporation, and dated the 18th day of August, 1909.

19: This agreement shall bind and accrue to the benefit of the several parties, and their respective heirs, personal representatives and successors.

IN WITNESS WHEREOF, the parties hereto have severally executed this instrument, the day and year first above written.

FARBWERKE VORM. MEISTER LUCIUS & BRÜNING,
(Seal)

(Sgd.) By HERBERT VON MEISTER,
Director.

(Sgd.) By ADOLF HAEUSER,
Director.

In presence of
(Sgd.) JOSEPH FLACH.

(Sgd.) HERMAN A. METZ, (Seal)

In presence of
(Sgd.) CHARLES FUEHRLEIN.

H. A. METZ & CO.,
(Sgd.) By H. A. METZ,
President.

(Seal of
H. A. M. & Co.)

Attest:
(Sgd.) A. H. HEIN,
Asst. Secy.

VICTOR KOECHL & CO.,
(Sgd.) By H. A. METZ,
President.

(Seal of
V. K. & Co.)

Attest:
CHARLES FUEHRLEIN,
Treasurer.

UNITED STATES CONSULATE
at Frankfort-on-the-Main,
EMPIRE OF GERMANY, } *ss.:*

On this 1st day of August, 1912, before me personally came Herbert von Meister, and Adolf Haeuser, to me personally known and known to me to be two of the Directors of FARBWERKE VORM. MEISTER LUCIUS & BRUENING, one of the corporations described in, and which, by the said Directors, executed the foregoing Agreement; and they severally acknowledged to me that they executed the same as the act and deed of said corporation.

(Sgd.) WILLIAM WARNER, JR.,
(Seal) *Vice & Deputy Consul General.*
No. 799. Fee $2.00 recd.
equal to Marks 8.50.

STATE OF NEW YORK,
THE CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 22d day of July, 1912, before me personally came ALBERT H. HEIN, Assistant Secretary of H. A. METZ & Co., with whom I am personally acquainted, who being by me duly sworn, said that he resided in the City of South Orange, N. J., that he was the Assistant Secretary of H. A. METZ & Co.; that he knew the corporate seal of the said company; that the seal affixed to the above instrument was such corporate seal; that it was so affixed by order of the Board of Directors of the said Company; and that he signed his name thereto by the like order as Assistant Secretary of the said Company. And the said ALBERT H. HEIN further said that he was acquainted with HERMAN A. METZ, and knew him to be the President of said Company; that the signature of the said HERMAN A. METZ, subscribed to the said Instrument, was in

the genuine handwriting of the said HERMAN A. METZ, and was thereto subscribed by the like order of the said Board of Directors, and in the presence of him, the said Albert H. Hein.

(Sgd.) JACOB R. ROETHER,
(Seal) *Notary Public, Kings County.*
Certificate filed in N. Y. County.

STATE OF NEW YORK,
THE CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 22 day of July, 1912, before me personally came CHARLES FUEHRLEIN, Treasurer of VICTOR KOECHL & Co., with whom I am personally acquainted, who being by me duly sworn, said that he resided in the City of Jersey City, N. J., that he was the Treasurer of VICTOR KOECHL & Co.; that he knew the corporate seal of the said Company; that the seal affixed to the above Instrument was such corporate seal; that it was so affixed by order of the Board of Directors of the said Company; and that he signed his name thereto by the like order as Treasurer of the said Company. And the said CHARLES FUEHRLEIN further said that he was acquainted with HERMAN A. METZ, and knew him to be the President of said Company; that the signature of the said HERMAN A. METZ subscribed to the said Instrument was in the genuine handwriting of the said HERMAN A. METZ, and was thereto subscribed by the like order of the said Board of Directors, and in the presence of him, the said CHARLES FUEHRLEIN.

(Sgd.) JACOB R. ROETHER,
(Seal) *Notary Public, Kings County.*
Certificate filed in N. Y. County.

STATE OF NEW YORK,
THE CITY AND COUNTY OF NEW YORK, } *ss.:*

On this 22 day of July, 1912, before me personally came HERMAN A. METZ, to me known and known to me to be the individual described in, and who executed the foregoing Instrument, and he duly acknowledged to me that he executed the same.

(Sgd.) JACOB R. ROETHER,
(Seal) *Notary Public, Kings County.*
Certificate filed in N. Y. County.

PLAINTIFF'S EXHIBIT No. 411.

[On Postal Telegraph Blank]

XIW BV 60 U S Gvt 905p

Washington DC Aug 21-14

Hon Herman A Metz,
House of Reps. Washn-DC

Just recd telegram from Consul General at Rotterdam as follows:

Quote No Dyestuffs here. No communication Rail or Boat Germany at present. Better conditions expected soon when Dyestuffs can be shipped through Holland to America. Buyers must deposit purchase money Rotterdam. Reliable agents available. End Quote.

W J BRYAN
Secy of State

PLAINTIFF'S EXHIBIT No. 412.

[On Postal Telegraph Blank]

3sdnf 31 USG 537p

Department of State Washington D C Aug 23-14

Honorable Herman A Metz

House of Reps or Residence

Washndc

Following just received from Frankfort quote. Communications concerning Dyestuff not yet obtained. Navigation on Rhine open far as Rotterdam. Unquote.

BRYAN

PLAINTIFF'S EXHIBIT No. 413.

[On Postal Telegraph Blank]

W 5 6 W 69 Collect N L 4 Extra

Washington DC Sept 17-14

Honorable Herman A. Metz

122 Hudson Street New York City

Following received from Ambassador Berlin dated sixteenth, this is for Representative Metz. Dr. Adolf Heanser Representing Farbwerke Meister Lucius says they are ready to deliver dyestuffs and medical chemicals F O B to Metz firm on neutral ship at Rotterdam but German Government will not permit export unless Metz guarantees that such goods will not be taken off by countries at war with Germany.

ROBERT LANSING

Acting Secretary of State

PLAINTIFF'S EXHIBIT No. 414.

New York, September 18, 1914.

Hon. Robert Lansing,
Acting Sec'y of State, Washington.

My Dear Mr. Lansing:

I thank you for your telegram, which I received this morning, conveying the news received from Ambassador Gerard regarding his interview with Dr. Adolf Haeuser, of Hoechst Farbwerke. I was very gratified to get this information. I would like to find out one thing more, and if you can have it added to a telegram sent to Ambassador Gerard, I will be obliged to you.

It refers to Ambassador Gerard's cable received on the 12th that the embargo on Salvarsan and Neosalvarsan to this country had been raised. If you can add the following to your telegram, I will appreciate it:

> "Representative Metz desires information when Hoechst Farbwerke will resume shipments Salvarsan and Neosalvarsan. Both urgently desired by Army, Navy and Public Health Service for continued treatments now in hand. Guaranteed for use in U. S. only."

With this information obtained through Ambassador Gerard, we will have no further trouble in satisfying any inquiries we may receive, so far as my end of the chemical and medicinal line is concerned.

It is quite natural that Germany desires to withhold Salvarsan and similar products, as well as dyestuffs, from such countries as are now at war with her, and we, of course, in this country feel bound not to export products obtained from Germany to the countries in question. I understand from other sources that unless this is agreed to on the part of importers

receiving products in this country, the embargo which has been raised in favor of the United States will again be placed upon these products.

I hope to see you early in the week.

Yours very truly,

HAM HJC (Sgd.) H. A. METZ.

PLAINTIFF'S EXHIBIT No. 415.

Address Official Communications to
The Secretary of State,
Washington, D. C.

DEPARTMENT OF STATE
WASHINGTON

September 22, 1914.

The Honorable H. A. Metz,
House of Representatives.

Sir:

The receipt is acknowledged of your letter of September 18, in regard to the importation from Germany of salvarsan and neosalvarsan into the United States.

You request that the previous instructions to the American Ambassador at Berlin be supplemented by the following cablegram:

> "Representative Metz desires information when Hoechst Farbwerke will resume shipments salvarsan and neosalvarsan. Both urgently desired by Army, Navy and Public Health Service for continued treatments now in hand. Guaranteed for use in U. S. only."

The Department is glad to comply with your request and you are informed that the desired instruction is being transmitted.

I have the honor to be, Sir,

Your obedient servant,

(Sgd.) ROBERT LANSING,
Acting Secretary of State.

811.1255/3

PLAINTIFF'S EXHIBIT No. 416.

Address Official Communications to
The Secretary of State,
Washington, D. C.

DEPARTMENT OF STATE
WASHINGTON

September 23, 1914.

The Honorable Herman A. Metz,
House of Representatives.

My dear Mr. Metz:

Pursuant to your request by telephone, I am enclosing a copy of a telegram dated September 22, 1914, from the American Ambassador at Berlin, in regard to the exportation of dyestuffs from Germany. In view of the fact that the Embassy's information seemed to come from private sources, and the need of official information upon the subject, on receipt of the telegram above mentioned I drafted a telegram, instructing the American Ambassador to have confirmed, if possible, by the German Government, the information obtained from Mr. Haeuser, and also to report the present attitude of the German Government as to the exportation in neutral vessels of all non-warlike articles especially desired by American concerns.

Very truly yours,

(Sgd.) W. B. FLEMING,
Foreign Trade Adviser.

Enclosure:
As noted.

PLAINTIFF'S EXHIBIT No. 416-A.

Copy L.

Berlin,
(Via Rome September 22, 1914)
Dated September 21.
Recd September 22, 10:20 A. M.

Secretary of State,
Washington.
241 twenty-first.
For Department and Representative Metz:
Department's 193, eighteenth.

Adolf Haeuser informed me that export dyestuffs, etc., had been forbidden but now allowed on the giving of a guarantee by his company here to the German Government that goods would not be taken from neutral ships and fall into hands of British. As I understand the situation Government here having taken position against export did not like to reverse itself without getting some sort of guarantee.

GERARD.

PLAINTIFF'S EXHIBIT No. 416-B.

Copy S

TELEGRAM RECEIVED CIPHER.
FROM BERLIN,
Dated Sept. 22, 1914.
Rec'd Via Copenhagen, Sept. 23, 11 p. m.

Secretary of State,
Washington,
September 22, 10 p. m. No. 271.

Referring to my telegram number two hundred twenty-seven, nineteenth. The embargo on cyanide is on the kind used in mining industry and was put on to prevent British getting cyanide for their pro-

duction gold in the Transvaal. Although certain exporters had informed me that the Secretary of the Interior here had agreed to export of dyes, quantities cyanide, on their giving guarantee that consignment was for United States, I am now informed by under Secretary of Foreign Affairs that because of fear that British may take goods of this kind from Holland ships on the way to America that no exports of dye-stuffs, cyanide, chemicals and medicines will be allowed although destined for United States in Holland ships but I am informed that if American ships are sent to Holland that such exports will then be allowed. Suggest that such ships can bring a cargo of cotton and copper consigned to Holland merchants. Cannot such ship under international law come direct to German ports? If America wants dye-stuffs, cyanide and chemicals send these American ships.

GERARD Berlin.

American Minister Copenhagen.

PLAINTIFF'S EXHIBIT No. 417.

[On Postal Telegraph Blank.]

K13W-MU, 910 PM, 180 Collect NL, 4ex

Washington, DC, Oct, 9-14

Hon. Herman A Metz,

122 Hudson St, NewYork.

Cablegram from Berlin states. Quote I agree with Ambassador Gerard that we try to exchange cotton for dyestuffs. The impression in America is that manufacturers in Germany are well supplied with wool and cotton but frank conversation discloses the fact that manufacturers here are as much in need of cotton as American cotton mills are in need of dyestuffs. Approximately twenty thousand bales of cotton could be brought here by Steamer Matanzas. This is equal

to about full cargo of chemicals and dyestuffs. To arrange the payment therefore becomes an easy matter, both sides assuming that both cargoes get away. Generally speaking, it seems that there is available for immediate shipment three or four months supply of dyestuffs. Additional quantitys available in two months when second cargo of cotton might be sent over. Mr. Edward Lovelace could undertake the purchase of the cotton on the basis of finding of New York buyers to be offered charter Matanzas for cargo. I recommend that Steamer Matanzas be held for a few days pending decision. Poucher. Gerard. End quote.

ROBERT LANSING,
Acting Secretary of State.

PLAINTIFF'S EXHIBIT No. 418.

457.

Rotterdam, The Netherlands, October 10, 1914.

Embargo on and export of dyestuffs from Germany.

I have the honor to acknowledge receipt of Department instruction No. 298, dated September 18, 1914, regarding "dyestuffs."

As said instruction has practically been answered, as far as then possible, by my despatch No. 455 of Sept. 25th, I shall restrict myself here to stating regarding transportation facilities, that the communication by rail as well as by water (the Rhine-Maas) between Germany and the Netherlands is now established regularly, subject of course to interruption periodically when all means of transportation are wanted for movement of troops. Shipping facilities from Rotterdam to America are rather limited, and in fact

practically confined to the neutral Holland—America Line Passenger—and freight steamers, and some American buyers have lately resorted to chartering steamers flying the American flag, for the purpose of transporting dyestuffs and chemicals from Rotterdam to America, one steamer, the "Matanzas" being expected here next week.

As to banking exchange conditions it is extremely difficult to make any definite statement, as conditions change from day to day. At present exchange is somewhat steady, but the rate low, American dollars f. i. quoted at Florins 2.37 and English Sterling at Florins 11.98.

Regarding the requirement of shippers of dyestuffs, that buyers must deposit the purchase money in Rotterdam, this is asked for the reason, that the German sellers—practically all dyestuffs coming from Germany—demand cash in hand before the goods are shipped from here. The American purchaser is requested to deposit money in a bank named by the German seller or the Rotterdam agent—f. i. the leading importer and exporter of dyestuffs in this city, Messrs. Outshoorn & van der Held, requires buyers to deposit necessary amounts at the "Disconto Maatschappy" of Rotterdam.

There is however at present no dyestuff available for export in The Netherlands as Germany has placed an embargo on the export of dyestuffs, which has only been raised by special arrangement for American purchasers. The above mentioned dealer in dyestuffs has to-day informed this office, that German manufacturers positively refuse to sell him even the smallest quantity.

I have the honor to be, sir,

Your obedient servant,

(Sgd.) S. LISTOE,

Consul-General.

File No. 690.

PLAINTIFF'S EXHIBIT No. 419.

[On Western Union Telegraph Blank.]

D105W XM 220 Collect NL 4 extra

Washington, D. C. October 16, 1914

Hon Herman A. Metz

122 Hudson Street, New York

Department in receipt of cable from Ambassador Gerard stating that the German Government and exporters must have a guarantee from this Government that goods shipped on the Matanzas shall not be re-exported. Department has in mind to cable the Ambassador setting forth:

1—That this Government is assured that goods shipped on Matanzas are not to be re-exported and passes this assurance to German Government.

2—That the present demands for these goods for immediate use in this country constitute additional guarantee that they will not be re-exported.

3—That the Department will undertake to secure at once from all consignees of goods on Matanzas a formal declaration and bond guarantee that goods will not be reexported, except portion of consignment of cyanide to Mexico only.

4—That the administrative officers of this Government cannot lay a legal embargo on the reexportation.

The Department desires a formal declaration and bond guarantee to the Department, say in double the amount of the value of shipments by consignees that goods will not be reexported from the United States and that the same are for consumption in the United States, except as to cyanide as above explained. Upon notice from you that the importers will execute this

guarantee Department will cable to Ambassador Gerard instructions as stated above.

ROBERT LANSING,
Acting Secretary of State.
9.35 P. M.

PLAINTIFF'S EXHIBIT No. 420.

Address Official Communications to
The Secretary of State, Washington, D. C.

(Seal)

DEPARTMENT OF STATE
WASHINGTON
October 19, 1914.

Honorable H. A. Metz,
122 Hudson Street,
New York City.

Sir:

Relative to the matter of the importation of dyestuffs, etc., from Germany and the exportation of cotton to Germany, the Department is in receipt of a telegram to the effect that while the reexportation of cotton is forbidden by the Netherlands Government, cotton shipped to Holland and intended for Germany is in transit, which the Netherlands Government does not forbid. This would seem to simplify the matter of shipping cotton into Germany through Rotterdam, and probably a cargo could be provided from Rotterdam to this country.

Very truly yours,

(Sgd.) ROBERT F. ROSE,
Foreign Trade Adviser.

PLAINTIFF'S EXHIBIT No. 421.

[On Western Union Telegraph Blank.]

D9W XM 176 Collect 2 extra. SD
Washington, D. C., Oct. 27, 1914.

Hon. Herman A. Metz
122 Hudson St., New York

Following is paraphrase of telegram dated Oct. twenty-sixth from Howard W. Bible received through the American Embassy at London and American Legation at the Hague, Quote There is confusion regarding consignments of dyestuffs physical evidence of ownership other than American makes portions legally seizable suggests that it is probable that British inquiries have been made as to the actual ownership of dyestuffs and that cargoes be consigned to Department of Commerce American Cotton Representatives in Rotterdam urge guarantee of safety of shipments to the United States. Paragraph. Any interference with the Matanzas will tend to discourage further shipments to America of all commodities. Matanzas can carry only portion of dyes available and the remainder will be withheld if Matanzas is troubled please inform Congressmen Metz and Johnson Senator Maine and Simmons Senator North Carolina. Paragraph. Am ready to assume charge of ship contents if so directed. Minister Van Dyke desires definite instructions for cooperation. Paragraph. Following received from Berlin. Quote German cotton merchants need fifty thousand Austria twenty-five thousand bales per month approximately. Gerard.

ROBERT LANSING,
Acting Secretary. 604 P. M.

PLAINTIFF'S EXHIBIT No. 422.

Department of State,
Washington, October 29, 1914.

Hon. Herman A. Metz,
122 Hudson Street,
New York City.

Sir:

The department has received your letter of October 23, relating to the guaranties on goods imported into the United States from Germany, with inclosure of guaranty from Walter F. Sykes & Co., importers, New York.

You state that the German Government regards bonds for the consumption of imports in the United States as essential and that Count Bernstorff has expressed to you the satisfaction of his Government with the filing of the guarantees and the agreement to give bond for domestic consumption of consignments.

You also state that you and Count Bernstorff have agreed to have the bonds of the importers made to you, and that you will draft a form for the Count's approval and for the signatures of the importers.

The Department is gratified that your efforts have led to an arrangement satisfactory alike to the American importers, the German Government, and this department itself and trusts that thereby the importers will be relieved of the embarrassment to which their business has been subjected.

I have the honor to be, sir,

Your obedient servant,

ROBERT LANSING,
Acting Secretary of State.

PLAINTIFF'S EXHIBIT No. 423.

Address Official Communications to
The Secretary of State
Washington, D. C.

(Seal) DEPARTMENT OF STATE
WASHINGTON
November 19, 1914.

The Honorable Herman A. Metz,
122 Hudson Street,
New York, N. Y.

Sir:

I have the honor to acknowledge receipt of your letter of November 7, addressed to the President of the United States, in which you set forth the existing conditions under which the manufacturers of textiles and other articles requiring dyestuffs and chemicals are being supplied with these products imported from Germany. Your letter has been referred to the Department and is being placed on file.

I have the honor to be, Sir,
Your obedient servant,
(Sgd.) ROBERT LANSING,
Acting Secretary of State.

165.102/247.

PLAINTIFF'S EXHIBIT No. 424.

Address Official Communications to
The Secretary of State, Washington, D. C.

(Seal) DEPARTMENT OF STATE
WASHINGTON
November 12, 1914.

Hon. James W. Gerard,
American Ambassador,
Berlin.

My dear Mr. Gerard:

It gives me pleasure to present to you the Hon-

orable Herman A. Metz, a Representative in the Congress of the United States from the State of New York, who is proceeding to Berlin with a view to arranging for the importation of dye-stuffs from Germany to the United States.

Mr. Metz is himself interested in industries in this country using and depending upon Germany for their supply of dye-stuffs, and I respectfully commend him to your attentive consideration and bespeak for him every assistance you may be able to render him, consistently with your official duties, in facilitating his mission.

Very truly yours,

(Sgd.) W. J. BRYAN.

PLAINTIFF'S EXHIBIT No. 425.

PARAPHRASE OF

TEXT OF CIPHER TELEGRAM RECEIVED DECEMBER 3, 1914

AMERICAN EMBASSY BERLIN

857 From Rome December 2.

727 From Department. November 30, 6 p. m.

Congressman Metz, address Berlin or care of Hoechst, is due to arrive at Rotterdam on November 27th on the S. S. RYNDAM. He and Mr. Paul Pickhardt should be informed as follows:

Distribution of the dyestuffs which came on the steamer MATANZAS is now being made among the cotton manufacturers. The S. S. "SUN" is reported as scheduled to reach New York tomorrow. Altogether the cotton mills in the United States will have barely two months' supply of dyestuffs. The following plan has been evolved for the discharge of the obligation resting upon all parties who participated in the car-

goes brought by the MATANZAS and the SUN to ship cotton in exchange for any further shipments of chemicals and for release of any coal tar dyes. A steamer has been chartered by the cotton manufacturers to be loaded with cotton immediately at a southern port and to sail to Rotterdam. They have also taken an option on a second vessel which could be loaded a fortnight later. The cargoes are covered by American Government insurance. The financial plan is very simple. The American firms will deposit their funds in a New York bank against which the cotton buyers would draw to an amount corresponding to what the German cotton buyers will turn over to the Deutsche Bank to the credit of German firms. Seven hundred thousand dollars are required for the first two ships. If mutually desired the plan can be further extended. What does Commander Gherardi think as regards the practicability of shipping cotton to Bremen? All complications such as were experienced in the case of the MATANZAS can be avoided. Mitchell is the charterer. Freights for the return passage for cargo of dyestuffs have been engaged by us from Mitchell. We need most of all indigo indanthrene colors for both cotton and paper, also liberial amounts of hydro sulphite, rongalite also basic and acid colors. In order that the cargo may be loaded immediately on the discharge of the cotton cargo it should be in Rotterdam on the arrival of the steamer. A fixed time for discharge and loading is allowed by the charter, but a penalty of five hundred dollars per day arises for any delay. It is highly important that all arrangements be made in ample time in advance. It would be better for both of us if you could limit this shipment to this steamer to a full cargo of about three thousand tons to ourselves and have the others ship by any one of the other American vessels which are com-

ing to Rotterdam with food stuffs and so avoid any further arrangements with other parties regarding the Mitchell plan. We assume that permits for the other shippers could be arranged for by Congressman Metz. These details have been elaborated since Metz sailed. He promised his cooperation and consented to withhold his remittance pending developments. The maximum amount available should be cabled to Vandiver. Lohmann's representatives here have telegraphed request for immediate deposit of four hundred thousand dollars in the Deutsche Bank. Lohmann is to arrange the transfer of this sum to the American Exchange National Bank, New York, through his friend Elberfeld. It is absolutely necessary that no cable messages concerning the plan be sent to American dye houses as publicity might thereby be created and information about the plan here will be totally fatal to success.

Kuttroff, Poucher, Mitchell.

Lansing, Nelson Page, American Ambassador.

PLAINTIFF'S EXHIBIT No. 426.

[On Postal Telegraph Blank.]

x9wxn. 9:20p 35—Collect, N.L. 3 extra

Washington, D. C., Dec. 8-14

H. A. Metz, 122 Hudson st. New York.

Ambassador at Berlin states that in order to secure return cargoes information is desired at least one months in advance giving sailing dates, cargoes, capacity and approximate return freight rates demanded.

W. J. BRYAN, *Secretary of State.*

PLAINTIFF'S EXHIBIT No. 427.

[On Western Union Telegraph Blank]

D86W ACA 95 COL ECT NL 3 EX W

Washington D C Jan 18 1915

Herman A Metz

122 Hudson St New York

Department received following from Berlin: Badische replies that certain shipments are now on the way to Rotterdam that they have accorded American friends very extensive consideration that German factories produce in limited quantity that no promise to deliver stated amounts as stated was ever made by them, that they said only that it would be desirable and fair for America to send cotton following which they were convinced they could send colors far as possible and if production continued Hoechst replies requests will be given due consideration as far as possible.

W. J. BRYAN,
Secy of State.

PLAINTIFF'S EXHIBIT No. 428.

(Copy)

TREASURY DEPARTMENT
WASHINGTON,

Office of
the Secretary

September 3, 1915.

The Honorable
The Secretary of State.

Sir:

I have the honor to advise you that the Public Health Service of this Department has placed an order

with Mr. Herman A. Metz, President of the Fabwoeke Hoecht Co., 160 Hudson St., New York City, for 500 tubes of salvarsan and 200 tubes of neosalvarsan at $2.25 per tube, free of duty. Mr. Metz has promised to obtain this material, if possible, from Germany. It has been ascertained that these preparations cannot be obtained in this country in such quantities as are required in the treatment of government patients, and I have therefore to request that such action will be taken by your Department as will be necessary to insure the delivery of the material.

Respectfully,

(Sgd.) W. G. McADOO,
Secretary.

(Copy)

PLAINTIFF'S EXHIBIT No. 429.

Address Official Communications to
The Secretary of State
Washington, D. C.

DEPARTMENT OF STATE
WASHINGTON

November 8, 1915.

The Honorable Herman A. Metz,
122 Hudson Street, New York City.

Sir:

I have the honor to acknowledge the receipt of your letter of October 28, 1915, in further relation to the detention by the British authorities of shipments of Salvarsan, Neosalvarsan and Novocain, ordered by you from Germany.

Pursuant to your request, the Department returns herewith the original enclosures to your letter.

There are herewith enclosed for your information copies of the telegrams on this subject which were

sent by the Department, on November 3, to the American Ambassadors at London and Paris, respectively.

I have the honor to be, Sir,

Your obedient servant,

For the Secretary of State:

(Sgd.) FRANK T. POLK,

Counselor.

Enclosures as above.

PLAINTIFF'S EXHIBIT No. 429-A.

COPY

Telegram sent,
Department of State,
Washington, November 3, 1915.

Am Embassy,
Paris.

Department understands from Embassy London you are familiar with situation regarding shipment salvarsan and neo-salvarsan from Germany to United States but before giving you definite instructions it desired accumulate tangible evidence of conditions which were stated to make request to British and French Governments desirable and urgent. Department now has in its possession copies of letters patent number 986,148 and 1,053,300 issued by United States Patent Office, March 7, 1911, and February 18, 1913, respectively, covering drug compositions salvarsan and neo-salvarsan. Under provisions Section 4884 Revised Statutes United States, patentee, his heirs or assigns acquire by such letters patent exclusive right make, use and vend invention or discovery throughout United States and its Territories for period seventeen years.

American representative of assignee of these pat-

ents has furnished Department with following documents:

First. Sworn statement that there are still unshipped on orders placed by him with German manufacturers on November 16, 1914, 85,000 ampules these drugs.

Second. Sworn list orders placed with him by hospitals and other similar institutions during thirty-eight days September sixteenth to October twenty-third last, both inclusive, showing three hundred thirteen such orders for total 3,642 ampules these drugs.

Third. Sworn statement that in addition these hospital orders he has received similar orders from 3,164 individual physicians for aggregate 31,000 ampules.

Fourth. Sworn extracts from letters from forty-one physicians located in twenty different states, each requesting shipment these drugs for use in urgent cases, in some of which saving of life is said to depend on ability obtain drug.

Fifth. Sworn copy of letter addressed, on October 8, last, by Poulenc Freres, Paris, to Parmele Pharmacal Company, New York, the writer being same company which, according your number 2975, October 9, French Government states is prepared supply drug identical with neo-salvarsan in form neo-arseno benzol, which letter states in part quote. In order make introduction our products possible in United States American Government would have to take steps similar to those taken by English Government. They would have to grant licenses manufacture all patent German products unobtainable in American market as result prevailing conditions. In case such license should be granted we could not consider sale our products in United States only as long as the war lasts; in fact, we would have to increase our output considerably in order fill numerous

orders we would receive. As this would require very extensive equipment we would not consider matter in case we would only have access to American market for a few months unquote.

Sixth. Sworn copy judgment District Court United States, Eastern District of Michigan, dated January twelfth, last, upholding validity letters patent number 986,148, perpetually enjoining one Albert C. Smith and his agents from selling or using in the United States the drug which he had offered as substitute for salvarsan. Judgment also required payment to plaintiff all profits derived by defendant from sale of infringing article, damages sustained by defendant from infringement and costs litigation.

Seventh. Sworn statement showing deposits by American representative with manufacturers on April nineteenth and May twenty-first last of marks 981,927 and present balance remaining for payment pending orders, marks 902,346, paragraph.

Department is receiving petitions from physicians and medical organizations explaining urgent need for salvarsan and neo-salvarsan and soliciting Department's aid in obtaining these drugs although it appears writing of such petitions has been discouraged by American distributor.

It appears evident from above mentioned documents there is large and urgent demand in United States for these drugs and that much suffering is resulting from lack thereof.

If, as stated by French Government, product of Poulenc and Company is identical with neo-salvarsan, its sale in United States would doubtless constitute infringement of patents granted by United States Patent Office. Furthermore, even though Poulenc Company, contrary to statement in its above quoted letter, were willing sell its products in United States

under present conditions it would admittedly be unable supply present demand, and it seems improbable anyone would undertake responsibility selling such presumably infringing article. Moreover, it is represented to Department that use of substitutes for salvarsan and neo-salvarsan has in some cases resulted unfavorably and that use such untried substitutes, if obtainable, would be experimental and not generally adopted.

Ambassador London has been instructed unofficially bring foregoing facts to attention Foreign Office and request that, in view existing legal situation, the insignificant benefit that would result to enemies Great Britain and France, and out of consideration for the numerous unfortunates whose suffering is apparently being aggravated by lack these drugs, British and French Governments agree to permit shipments from Germany of such quantities thereof as will supply urgent needs medical profession in United States.

You will cooperate with Ambassador London in effort obtain favorable decision this matter using above facts in most efficacious manner.

LANSING.

PLAINTIFF'S EXHIBIT No. 430.

Address Official Communications to
The Secretary of State
Washington, D. C.

DEPARTMENT OF STATE
WASHINGTON

January 6, 1916.

Mr. Herman A. Metz,
122 Hudson Street,
New York, N. Y.

Sir:

There is enclosed for your information the dupli-

cate copy of despatch No. 2019 of December 11, 1915, from the American Ambassador at Berlin, Germany, relative to the application filed by the Embassy with the German authorities on behalf of the Farbwerke Hoechst for the exportation of 50 ampules each of salvarsan and neosalvarsan to the Medical Supply Depot, U. S. Army, the Panama Canal, 543 Greenwich Street, New York N. Y.

It will be observed that the issuance of the export permit is made dependent upon the receipt of a guarantee from the American Government that the consignment will arrive at its destination and remain in the United States. It is not practicable for this Government to give such a guarantee. If, however, you have obtained from the British Government a permit for the uninterrupted shipment of these products to the United States once they have arrived at a neutral port and will file with the Department your written assurance that if received the products will be consumed in the United States, it is possible that the German Government would regard the condition as fulfilled.

It does not appear from the records of the Department whether a permit has been issued to you by the British Government covering this particular quantity of salvarsan and neosalvarsan.

I am, Sir,

Your obedient servant,

For the Secretary of State:

(Sgd.) ALVEY A. ADEE,
Second Assistant Secretary.

Enclosure:
From Berlin,
December 11, 1915.

611629/254
O

PLAINTIFF'S EXHIBIT No. 430-A.

COPY

AMERICAN EMBASSY

BERLIN

Berlin, December 11, 1915.

No. 2019

The Honorable

The Secretary of State,

Washington.

Sir:

With reference to my despatch No.1869 of November 16, 1915, and previous correspondence, I have the honor to report that in answer to an additional application filed by this Embassy with the German authorities on behalf of the Farbwerke Hoechst for the exportation of 50 ampules each of Salvarsan and Neosalvarsan to the Medical Supply Depot U. S. Army, the Panama Canal, 543 Greenwich Street, New York City, the issuance of an export permission is likewise made dependent upon the receipt of a guarantee from the American Government that the consignment will arrive at its destination and remain in the United States.

I have the honor to be, Sir,

Your obedient servant,

(Sgd.) JAMES W. GERARD.

PLAINTIFF'S EXHIBIT No. 431.

New York February 9th 1916

Via Sayville

Farbwerke Hoechst Main Germany

State Department informs me permit for export hundred fifty thousand ampules subject to guarantee

safe arrival and Red Cross supervision distribution American Red Cross entirely unofficial body supervision unnecessary and impossible will personally guarantee proper distribution the permit now in Rotterdam absolute guarantee of safe arrival spurious and infringing products simply flooding this market during delay inform American Embassy Berlin

HERMAN METZ.

PLAINTIFF'S EXHIBIT No. 432.

Address Official Communications to
The Secretary of State
Washington, D. C.

DEPARTMENT OF STATE
Washington
February 3, 1916.

The Honorable Herman A. Metz,
122 Hudson Street, New York City.

Sir:

The Department is in receipt of your letter of January 17, 1916, relative to the Salvarsan and Neosalvarsan, intended for the Medical Supply Depot, United States Army, Panama Canal, which was shipped by parcels post from Copenhagen and among the packages taken from the steamship UNITED STATES by the British authorities.

In reply you are advised that, on January 27, 1916, the substance of your letter was communicated, by cable, to the American Ambassador at London, with instructions to endeavor to have this shipment released.

I am Sir, your obedient servant,

For the Secretary of State:

(Sgd.) ALVEY A. ADEE,
Second Assistant Secretary.

341.115 M56/3

PLAINTIFF'S EXHIBIT No. 433.

[On Postal Telegraph Blank.]

B86SA FO 28 Cable Count 23OP

Berlin via Sayville NY Feb 12

Feb 12 2 42 PM -16

Hermann Metz

122 Hudson St New York

Accept condition re supervision Salvarsan distribution Apply Red Cross Official note Observation of this mere formality Might prevent export permission

FARBWERKE HOECHST

PLAINTIFF'S EXHIBIT No. 434.

Address Official Communications to
The Secretary of State
Washington, D. C.

DEPARTMENT OF STATE
Washington
February 10, 1916.

Mr. Herman A. Metz,
122 Hudson Street,
New York, N. Y.

My dear Mr. Metz:

With reference to your letter of February 8, 1916, and your telephone conversation with me in regard to the shipment of salvarsan and novocain which you desire to obtain from Germany, I beg to inform you that the Department is cabling the American Ambassador at Berlin that as the British Government has given an assurance of non-interference with the shipment of these goods, there should be no doubt about their safe arrival in the United States and that you are willing

to guarantee that none of this salvarsan will be exported and will all be sold directly to physicians in the United States.

The Department is adding that the Red Cross has no official standing in the United States and does not supervise the distribution of goods in this country, instructing the Ambassador to endeavor to obtain permission for this shipment, which is urgently needed in the United States, to come forward under the assurance of the British Government and your guarantee.

As soon as any further information in regard to the matter is received it will be communicated to you. At a later date you will be informed of the cost of the Department's cablegram and of any reply thereto.

Very truly yours,

(Sgd.) CHARLES A. HOLDER,

Foreign Trade Adviser.

PLAINTIFF'S EXHIBIT No. 435.

Address Official Communications to
The Secretary of State
Washington, D. C.

DEPARTMENT OF STATE
WASHINGTON

February 10, 1916.

Mr. Herman A. Metz,
122 Hudson Street,
New York, New York.

My dear Mr. Metz:

Thank you for your letter of February 9, 1916, enclosing a copy of the wireless which you sent to the Farbwerke, Germany, yesterday.

As I told you over the telephone, we have cabled Ambassador Gerard asking him to do everything possible to forward all the drugs that you have ordered.

Very truly yours,

(Sgd.) CHARLES A. HOLDER,

Foreign Trade Adviser.

PLAINTIFF'S EXHIBIT No. 436.

[On Postal Telegraph Blank.]

W 163 W 35 Collect NL 3 Ex 1245A
W Washington DC Feb 28-16
Mr Herman A Metz
122 Hudson Street New York New York

American Embassy London Cables February twenty five that the British authorities have given assurance of noninterference with the shipment of the two cargoes of dyestuffs. British Consul Rotterdam being instructed accordingly.

ROBERT LANSING,
Secretary of State.

PLAINTIFF'S EXHIBIT No. 437.

Address Official Communications to
The Secretary of State
Washington, D. C.

DEPARTMENT OF STATE
WASHINGTON

March 11, 1916.

Mr. Herman A. Metz,
122 Hudson Street,
New York, N. Y.

My dear Mr. Metz:

I have delayed replying to your letter of March 6, 1916, with reference to your desire to obtain shipments of salvarsan and novocain from Germany, as you stated in your letter that you expected to see me in Washington some day this week.

I beg to refer you to my letter of February 10, 1916, stating that the Department had again cabled the American Ambassador at Berlin, instructing him to make representations with reference to both salvarsan and novocain. The American Ambassador at

Berlin had previously been instructed to inform the German Foreign Office that the British Government had given assurance of non-interference with the shipment of these goods. No further evidence of this assurance of non-interference was requested in the reply of the German Government to the Ambassador's representations, and the German Government has never requested to be furnished with a copy of an actual permit issued by the British authorities in cases where the statement was made by the American Ambassador that such assurance of non-interference had actually been given by Great Britain. It is impossible to send a copy of the permit to the American Ambassador at Berlin, as no actual permit is communicated to this Government. The permit is issued, under instructions from London, by the British Consul General at Rotterdam at the time when the goods are actually shipped from that port.

As you were informed in my telegram of February 26, 1916, the American Ambassador at Berlin has informed the Department that he expects an early reply to his representations and that he believes the question of the supervision by the Red Cross will probably be satisfactorily arranged.

Very truly yours,

(Sgd.) CHARLES A. HOLDER,
Foreign Trade Adviser.

PLAINTIFF'S EXHIBIT No. 438.

Address Official Communications to
The Secretary of State
Washington, D. C.

DEPARTMENT OF STATE
WASHINGTON

Mr. Herman A. Metz,
122 Hudson Street,
New York City.

March 23, 1916.

Sir:

The Department has received your letter of the 17th instant, enclosing a wireless message received by you from the Farbwerke, vorm. Meister Lucius and Bruening of Hoechst am Main, Germany, giving details regarding their shipment of salvarsan and neosalvarsan for the United States Army.

In reply you are informed that the markings of the packages of salvarsan and neosalvarsan, as contained in the copy of the telegram attached to your letter, have been cabled to the American Ambassador at London.

I am, Sir,
Your obedient servant,
For the Secretary of State:
(Sgd.) ALVEY A. ADEE,
Second Assistant Secretary.

341.115M56/9

PLAINTIFF'S EXHIBIT No. 439.

PATTERSON & GREENOUGH
45 EAST 17TH STREET
NEW YORK

October 1st, 1914.

H. A. Metz, Esq.,
#122 Hudson Street,
New York City, N. Y.

Dear Mr. Metz:

I beg to acknowledge receipt of your check for

$5000, to be devoted to the expenses of the Dyestuff Committee of the American Association of Woolen & Worsted Manufacturers.

Needless to say I am exceedingly obliged to you for your support and interest.

Yours very truly,

(Sgd.) A. M. PATTERSON.

PLAINTIFF'S EXHIBIT No. 440.

COPY

May 15th, 1914.

A. M. Patterson, Esq.,
President, Textile Alliance,
New York City.

My dear Mr. Patterson:

For the purpose of showing my appreciation and approval of the objects of your Alliance, I enclose herewith check for $5000.00 as a contribution toward helping along the good work which you have undertaken to bring about improvements and efficiency in the sale of supplies to the textile mills.

I shall be glad to renew this contribution annually, for three years, if the Alliance continues in its activity during that time.

Yours very truly,

(Sgd.) H. A. METZ.

PLAINTIFF'S EXHIBIT No. 441.

COPY

October 1, 1914.

A. M. Patterson, Esq.,
#45 East 17th Street,
New York City.

My Dear Mr. Patterson:

On my return from Washington I find yours of the 30th.

I enclose herewith check for $5000.00 as a contribution of the Farbwerke-Hoechst Company towards the fund expended by you and your associates in your endeavor to improve the methods of business in mill supplies in the textile industry.

Yours very truly,
(Sgd.) H. A. METZ.

Enclosure
HAM HJC

PLAINTIFF'S EXHIBIT No. 442.

Copy
Office of
HERMAN A. METZ
122 Hudson Street
New York

April 26th, 1917.

Dr. W. G. Stimpson,
Assistant Surgeon General,
Public Health Service,
Washington, D. C.

Dear Sir:

I received your favor of the 25th with blanks for proposals on 200 tubes of Arsenobenzol.

This is the product made by Dr. Schamberg of

Philadelphia and I have quoted $1.50 per ampule which is the price I am paying Dr. Schamberg for the product. I can deliver the goods promptly.

When I begin deliveries of Salvarsan and Neosalvarsan from my Brooklyn plant, I shall give it to the Government at cost price or if they prefer, I am willing to turn my plant over to them for their purposes so as to insure a continued supply to the Government during the war.

Yours very truly,

(Sgd.) H. A. METZ.

PLAINTIFF'S EXHIBIT No. 442-A.

COPY

Office of
HERMAN A. METZ
122 Hudson Street
New York

June 2nd, 1917.

Hon. Newton D. Baker,
Secretary of War,
Washington, D. C.

Dear Sir:

My attention has been called to certain claims that Salvarsan or equivalent products will not be available for use in the army and navy unless existing patents are abrogated.

I beg to call your attention to the fact that although the importation of the German product has stopped and the supplies on hand are practically depleted, I have equipped a plant for making under license from the manufacturers and am turning out the product now in Brooklyn, and will very shortly be able to turn it out on a commercial scale.

In the meantime, I am supplying, so far as the

Government is concerned, the Public Health Service with Arsenobenzol made under an arrangement with me by the Philadelphia Dermatological Research Laboratories at their cost price to me, and I have offered to the Government through the Public Health Service to continue to supply this product at cost to me until my plant is completed and then to supply Salvarsan and Neosalvarsan made by my laboratories to the Government for army and navy purposes at cost of production, or am ready to turn my plant over to the Government for its purposes and uses.

I simply call these facts to your attention to refute the unfounded statements that have been made in connection with this product.

Yours very truly,

(Sgd.) H. A. METZ.

HAM/CMR

PLAINTIFF'S EXHIBIT No. 442-B.

(Copy)

OFFICE OF
HERMAN A. METZ
122 HUDSON STREET
NEW YORK

June 2nd, 1917.

Hon. Josephus Daniels,
Secretary of the Navy,
Washington, D. C.

Dear Sir:

My attention has been called to certain claims that Salvarsan or equivalent products will not be available for use in the army and navy unless existing patents are abrogated.

I beg to call your attention to the fact that although the importation of the German product has stopped and the supplies on hand are practically depleted, I have equipped a plant for making under

license from the manufacturers and am turning out the product now in Brooklyn, and will very shortly be able to turn it out on a commercial scale.

In the meantime, I am supplying, so far as the Government is concerned, the Public Health Service with Arsenobenzol made under an arrangement with me by the Philadelphia Dermatological Research Laboratories at their cost price to me, and I have offered to the Government through the Public Health Service to continue to supply this product at cost to me until my plant is completed and then to supply Salvarsan and Neosalvarsan made by my laboratories to the Government for army and navy purposes at cost of production, or am ready to turn my plant over to the Government for its purposes and uses.

I simply call these facts to your attention to refute the unfounded statements that have been made in connection with this product.

Yours very truly,

(Sgd.) H. A. METZ.

HAM/CMR

PLAINTIFF'S EXHIBIT No. 443.

DEPARTMENT OF HEALTH
CITY OF NEW YORK
OFFICE OF THE COMMISSIONER

November 7, 1917.

HAVEN EMERSON, M. D.
COMMISSIONER

In re test of specimens
of salvarsan.

Mr. Herman A. Metz,
122 Hudson street, City.

My dear Mr. Metz:

You will be interested to know that after conference with Prof. Gies of the College of Physicians and

Surgeons, intravenous tests of the toxicity of specimens of salvarsan marked "4 A, prepared by the H. A. Metz Laboratories," were made at the laboratories of the Department of Health, 80 milligrams per kilo being given to two rabbits without any noticeable disturbance. On this satisfactory showing I can assure you that the Department is entirely satisfied as to the safety of your product, and the Department will use whatever has not been necessary to make the tests, where necessary in its treatment of syphilis in its hospitals or clinics.

Very truly yours,
(Sgd.) H. EMERSON,
Commissioner.

EC

PLAINTIFF'S EXHIBIT No. 444.

POWER OF ATTORNEY

United States Consulate General
Francfort-on-main, Germany } s.s.

On the 16th day of December 1911 before me personally appeared the undersigned Conrad Blank and Victor Krug and being duly sworn, they depose and say that they are citizens of the Empire of Germany, residing at Frankfurt on Maine and entitled to sign for the Farbwerke vorm. Meister Lucius & Brüning, a corporation organised under the laws of Germany and located and doing business at Hoechst o/Main, Germany, and they declare the following:

That, on behalf of the said corporation Farbwerke vorm. Meister Lucius & Brüning, they hereby appoint Herman A Metz of No 122 Hudson Str. New York City New York their Attorneys with full power to safeguard and protect all interests and rights confer-

red upon said corporation Farbwerke vorm. M. L. & B. by U. S. Patent No. 986,148; to bring actions at Law or actions in equity against any and every person, persons, firms or corporations infringing said patent, and to take all legal proceedings in connection therewith;

That they furthermore give power to the aforesaid Herman A Metz to safeguard and protect all rights conferred upon the said Farbwerke v. M. L. & B. to the following U. S. trade-marks, viz:

"Salvarsan" registered in the U. S. Patent-Office on the 25th. October 1910 under No. 79969

"Sarvarsan" (label) registered in the U. S. Patent Office on the 4th. April 1911 under No. 81388 and to take legal proceedings for suing any and every person, persons, firms, corporations infringing said trade-mark rights;

and That they authorize the said Herman A Metz to transfer the foregoing Power of Attorney to any person, persons, firms or corporations whom they may chose.

Farbwerke vorm. Meister Lucius & Brüning

BLANK *Director* (Sgd.) KRUG *Procurist*

Sworn to and subscribed before me this 16th day of December 1911.

(Sgd.) WILLIAM RUTSAF,
Vice & Deputy Consul General.
No. 1184 Fee $2.00 recd.
(Seal)

PLAINTIFF'S EXHIBIT No. 445.

TREASURY DEPARTMENT
BUREAU OF THE PUBLIC HEALTH SERVICE,
DIVISION OF VENEREAL DISEASES,
Washington, March 14, 1919.

H. A. Metz,
President Metz Laboratories (Inc.)
122 Hudson Street,
New York City.

Dear Sir:

Reference is made to your letter of March 10, in which you state that, with a view of cooperating to the fullest extent with the efforts of the Public Health Service in combating and bringing under control venereal diseases, you are going to make the price of arsphenamine 75 cents per ampule of 0.6 gram, and neosalvarsan will be reduced to $1 per ampule of 0.9 gram, after March 15, 1919.

Your action in reducing the price of this remedy is greatly appreciated by the bureau and will make available to a larger clientele the use of this remedy.

Respectfully,
RUPERT BLUE,
Surgeon General.

PLAINTIFF'S EXHIBIT No. 446.
2—390

DEPARTMENT OF THE INTERIOR
UNITED STATES PATENT OFFICE.

To all persons to whom these presents shall come, Greeting:

THIS IS TO CERTIFY that the annexed is a true copy from the records of this office of an instrument of writing

Recorded July 24, 1918
in
Liber G-105, page 137 of Transfers of Patents.

IN TESTIMONY WHEREOF I have hereunto set my hand and caused the seal of the Patent Office to be affixed, at the City of Washington, this 5th day of January
(Seal) in the year of our Lord, one thousand nine hundred and twenty-three and of the Independence of the United States of America the one hundred and forty-seventh.

(Sgd.) KARL FENNING,
Acting Commissioner of Patents.

ASSIGNMENT.

This indenture made the 15th day of July, 1918, between Farbwerke Hoechst Company, a corporation of the State of New York, having its office at #122 Hudson Street, in the City of New York and State of New York, party of the first part, and H. A. Metz Laboratories, Inc., a corporation of the State of New York, having its office at #122 Hudson Street, in the City of New York and State of New York, party of the second part;

WHEREAS the party of the first part is now the owner of the following trade-marks used in its business, which trade-marks have been registered in the United States Patent Office as follows:

SALVARSAN, certificate No. 79,969, registered October 25th. 1910.

NEOSALVARSAN, certificate No. 88,862, registered October 29th 1912.

Novocain, certificate No. 53,072, registered May 22nd, 1906.

And Whereas, the party of the second part has purchased from the party of the first part, all its assets including the good-will of the business the stock in trade thereof, and the said registered trade-marks, and the right to use said trade-names;

And Whereas, the party of the first part has delivered to the party of the second part the stock in trade of its business:

Now This Indenture witnesseth that in consideration of the premises, the party of the first part hereby assigns and transfers to the party of the second part the said trade-marks herein before described, to hold the same unto the party of the second part absolutely.

Signed, sealed and delivered this 15th day of July, 1918.

FARBWERKE-HOECHST COMPANY,
By Herman A. Metz
President.

Attest;
Albert H. Hein
Secretary.

[Farbwerkle-Hoechst Company Seal]
New York

State of New York, }
County of New York, } *ss.:*

On this 15th day of July, 1918, before me,....., a Notary Public, personally appeared Herman A. Metz, President of the Farbwerke-Hoechst Company, who, being duly sworn, deposes and says, that he resides in the City of New York and that he was personally present at the execution of the foregoing instrument and affixed thereto the corporate seal of the above named corporation; that the seal so affixed to the fore-

going instrument is the corporate seal of said corporation, and that the foregoing instrument was duly signed, sealed and delivered as and for the act and deed of the said corporation and by order of the Board of Directors thereof, and that he Signed his name thereto by like order.

JACOB R. ROETHER
Notary Public
Notary Public Kings Co.
Certificate Filed in N. Y. County
Recorded July 24, 1918.

JACOB R. ROETHER
NOTARY PUBLIC
NEW YORK
& KINGS COUNTY

PLAINTIFF'S EXHIBIT No. 447.

ROBERT RAMSEY AND HARRY D. NIMS
Counsellors at Law
17 E. 42nd Street, New York

July 16, 1921.

H. A. Metz Laboratories, Inc.,
122 Hudson Street,
New York City.

Dear Sirs—

Our client, the Chemical Foundation, Inc., calls my attention to an application made by you to register in the United States Patent Office the same SALVARSAN SODIUM, and also the name SILVER SALVARSAN.

You are of course entirely familiar with the work and purposes of the Foundation. No doubt you are not familiar with the fact that the Foundation is now the owner of trade-marks #81388, SALVARSAN and #79969, SALVARSAN; also #106308, SALVARSAN NATRIUM.

It would seem to us that these marks, registration of which is applied for by you, are in entire conflict

with the trade-marks owned by the Foundation. Will you kindly therefore, let me hear from you on receipt of this letter, as to your position in respect to these registrations.

Very truly yours,

5455/25 (Sgd.) HARRY D. NIMS

PLAINTIFF'S EXHIBIT No. 448.

RAMSAY HOGUET
149 Broadway,
New York City.

New York, February 4, 1919.

Hon. A. Mitchell Palmer,
Alien Property Custodian,
Sixteenth & P Streets, N. W.,
Washington, D. C.

Dear Mr. Palmer;

At a meeting of the Chemical Manufacturers' Association this morning the plan of the Dyes Institute for the acquisition of the German owned patents in the chemical industry was enthusiastically endorsed. They have passed appropriate resolutions and have appointed a committee to cooperate with the committee of the dyes institute.

The committee advises us that they expect to have the entire plan prepared and the certificate of incorporation of the proposed company drafted within a few days so as to be able to submit it to you probably at the end of this week. In the meantime, as I advised you yesterday, we are proceeding with all possible expedition to determine the title and enemy ownership of the patents in the particular classes affected.

My plan is to have the corporation formed and the principal patents conveyed to it within from two to three weeks. I trust we will be able to do it.

I shall be in Washington on Thursday in case you wish to speak to me further about this matter.

Yours very truly,

RH:P (Sgd.) RAMSAY HOGUET

PLAINTIFF'S EXHIBIT No. 449.

PENNIE, DAVIS, MARVIN AND EDMONDS
Counsellors at Law
35 Nassau Street

John C. Pennie
William H. Davis
Arba B. Marvin
Dean S. Edmonds

L. W. Rosenthal
F. E. Barrows
W. B. Morton
Walter J. Gill, Jr.
G. J. Hesselman
F. D. Hardesty
Merton W. Sage
H. McCarteney

Washington Offices
Pennie, Goldsborough & O'Neill
Washington, D. C.

New York Cable Address
Penangold, New York
Western Union Code

Telephone 1127 Rector

GC
69

New York
March 4, 1919.

W. T. Gordon, Esq.
Bureau of Investigation
Alien Property Custodian
Washington, D. C.

My dear Mr Gordon:

I have your letter of February 28th, which I found awaiting me after a few days out of town. Mr. Wood's bill which you enclose seems rather high, and it seems to me it would be proper to ask him whether he could revise his figures to a more reasonable sum, as you suggest. At the same time, the work was rush work, and promptly done, so that I am not disposed to be over-critical about it. I have a feeling that some of the larger printing establishments there in Washington would probably have charged a much larger price for the same work, done under the same conditions. Accordingly, if Mr. Wood is not disposed to reduce the amount of his charge, I would recommend paying the bill and ending the matter without further controversy. As I understand it, Mr. Wood had to buy all

of the paper for the various copies, so that the paper alone represented a very substantial disbursement on his part; so that the actual amount of the printing itself would be correspondingly reduced.

Speaking more generally about the whole investigation, it seems to me it was made under such high pressure and the urgency of getting the matter completed regardless of the expense involved was such as to justify anything within reason to accomplish this end, and, moreover, it seems to me there is occasion for a great deal of satisfaction all around in having brought the matter to such a satisfactory consummation within the allotted time.

I am particularly glad to know that your own strenuous endeavors have at last eased up so that you are able again to get your "beauty sleep."

I found some of that delicious sausage meat waiting for me upon my return to New York, and there was sufficient so that we continued to enjoy it for several days.

With kindest personal regards to Mrs. Gordon and yourself, I remain

Very sincerely yours,

(Sgd.) F. E. BARROWS

BUREAU OF INVESTIGATION
Noted ..... Date .....
Received Mar 11 1919
Ans'd ..... Date .....
Report No. .....
Trust No. .....

ALIEN PROPERTY CUSTODIAN
Received Mar 5 1919
Noted ..... Date .....
Ans'd ..... Date .....

PLAINTIFF'S EXHIBIT No. 450.

LETTER FROM WILL T. GORDON TO F. E. BARROWS, DATED MARCH 6, 1919.

(NOTE: Same as Plaintiff's Exhibit No. 74 and not reprinted here. See Record, Exhibits, Volume I, page 257.)

PLAINTIFF'S EXHIBIT No. 451.

LETTER FROM F. E. BARROWS TO WILL T. GORDON, DATED MARCH 10, 1919.

(NOTE: Same as Plaintiff's Exhibit No. 76 and not reprinted here. See Record, Exhibits, Volume I, page 258.)

PLAINTIFF'S EXHIBIT No. 452.

LETTER FROM WILL T. GORDON TO RAMSAY HOGUET, DATED MARCH 11, 1919.

(NOTE: Same as Plaintiff's Exhibit No. 77 and not reprinted here. See Record, Exhibits, Volume I, page 259.)

(Attached to Plaintiff's Exhibit No. 452)

Washington, D. C.
March 14, 1919

Mr. Ramsay Hoguet,
Singer Building,
New York City.

Patents Numbers eight six eight three eight three stop Nine Nine Five One One three stop One One three naught seven eight five stop one two six one nine eight seven stop are all on the sales list. One naught eight three nine naught three is not on sales list. Don't forget Danner's letter.

WILL T. GORDON.

PLAINTIFF'S EXHIBIT No. 453.

MEMORANDUM.

January 13, 1919.

Memorandum of Conference in regard to Patent situation.

Present: Mr. A. M. Palmer, Mr. Caton, Mr. Horne, Mr. Whitaker, Mr. Keohan, Mr. Whitemore, Mr. Gordon, Mr. Ferry.

Mr. Palmer laid down the general policy of the office in regard to patents under his arrangement with the Federal Trade Commission. He pointed out that these patents might be divided into three (3) classes:

1. Those intimately connected with, affiliated with, or necessary to companies in which the Alien Property Custodian has a predominant stock interest.

2. Though not necessary to a company in which the Alien Property Custodian has a predominant interest, those are connected with and important to, an industry in which the Alien Property Custodian has an interest through his ownership of stock, or otherwise.

3. All patents not included within either class one or two.

Patents included within class one or two are subject to demand by the Alien Property Custodian. Those in class 3 are completely subject to the jurisdiction of the Federal Trade Commission, and are not subject to a demand by the Alien Property Custodian.

Mr. Gordon is to prepare a letter to the Federal Trade Commission for Mr. Palmer's signature, asking for an extension of the time within which objection must be made to the issue of licenses by the Federal Trade Commission, in respect to patents where the time of the Alien Property Custodian for objection expires on January 15th. This letter is also to state to the Commission that a list of enemy held patents is

not desired for the purpose of making demands in any cases other than those connected with industries in which the Custodian already has an interest by reason of his control of corporations engaged in that industry.

a. A record of patents reported to, or demanded by, the Alien Property Custodian is to be kept in the Division of Patents in addition to the usual Trust and Report Docket. This report is to be kept in such form as Mr. Hoguet shall determine.

3. Mr. Hoguet is to determine upon the propriety of demands for patents to be issued, and within his jurisdiction will lie the determination as to whether the patent comes within a class to be demanded by the Custodian under his arrangement with the Federal Trade Commission, and whether the demand is in proper form. He will also pass upon the fact of enemy ownership.

This memorandum is subject in all ways to the revision of Mr. Hoguet. If correct, he will make out a more detailed memorandum of procedure for Mr. Palmer's approval.

PLAINTIFF'S EXHIBIT No. 454.

In replying address only
The Alien Property Custodian
and Refer to No.

RAMSAY HOGUET
149 Broadway
New York City

ALIEN PROPERTY CUSTODIAN
Sixteenth and P Streets NW.
Washington, D. C.

New York, January 17, 1919

Mr. Mansfield Ferry,
Office Alien Property Custodian,
Sixteenth & P Streets, N. W.,
Washington, D. C.

Dear Mr. Ferry:

I acknowledge receipt of your letter of January 13, 1919 enclosing memorandum of conference on the patent situation.

Yours very truly,

RH:P (Sgd.) RAMSAY HOGUET

A. P. C.
Bureau of Law
Received Jan 20 1919
Referred to .....
Answered None .....
Date " .....
No. .....

PLAINTIFF'S EXHIBIT No. 455.

ALIEN PROPERTY CUSTODIAN
Sixteenth and P Streets NW.
Washington, D. C.

New York, February 4, 1919.

Ramsay Hoguet
149 Broadway
New York City

Mr. Mansfield Ferry,
Office Alien Property Custodian,
Sixteenth & P Streets, N. W.,
Washington, D. C.

My dear Ferry:

I have yours of the twenty-ninth enclosing a copy of the conference of dye manufacturers. I have no need at present for the other copies.

The proposition appears to be progressing very well and we have today enlisted the support of another important body of chemical manufacturers.

Yours very truly,

RH:P (Sgd.) RAMSAY HOGUET

A. P. C.
Bureau of Law
Received Feb. 5, 1919.
Referred to .....
Answered None .....
Date " .....
No. .....

PLAINTIFF'S EXHIBIT No. 456.

JOHN LOTKA
Patent Attorney
23 Beaver Street

Telephone 1625 Broad
Cable Address: Jalotka, New York

New York, March 24, 1919.

Alien Property Custodian,
Division of Patents,
Washington, D. C.

Dear Sir:—

In re: Trust 37192, Report 37698, Enemy Ferdinand Max Eugen Blass.

Confirming my letter of the 21st inst., I beg to report the receipt to-day from Mr. *Blass* of a letter dated the 22nd inst. and giving his *present address* as *105 11th Avenue, Newark, N. J.* This letter confirms my belief that Mr. Blass came to this country before August 1, 1914, and has resided in this country since he came here before August 1, 1914 to the present day.

Mr. Blass also writes that he *has obtained his first* (naturalization) *paper* from the U. S. District Court, in New Jersey, under date of December 13, 1918, No. 2811.

In view of these circumstances, it seems to me the seizure of Mr. Blass' applications for patents Ser. Nos. 63,231 and 63,232 may have been due to the erroneous impression (caused by the statement of his old German residence in the application papers) that he was actually residing in Germany, when as a matter of fact he has resided in this country since some time prior to August 1, 1914. I shall appreciate suggestions as to the proper steps to be taken by my client to clear his applications from seizure.

Very respectfully,

(Sgd.) JOHN LOTKA

Attorney for Ferdinand Max Eugen Blass
in the matter of above-named applications for patents.

* * * * * * * * * * * * * * * * *
* Alien Property Custodian *
* Received Mar 25 1919 *
* Noted C D C Date 4/21/19 *
* Ans'd .....Date ..... *
* * * * * * * * * * * * * * * * *

PLAINTIFF'S EXHIBIT No. 457.

LETTER FROM JOHN LOTKA, ATTORNEY FOR FERDINAND MAX EUGEN BLASS, TO ALIEN PROPERTY CUSTODIAN, DATED MARCH 24, 1919.

(NOTE: Same as Plaintiff's Exhibit No. 456 and not reprinted here. See Record, Exhibits, Volume 1, page 862.)

PLAINTIFF'S EXHIBIT No. 458.

105 11th. Ave., Newark, N. J.
April 16th. 1919.

The Alien Property Custodian,
Washington, D. C.
Dear Sir:—

Regarding your act: Trust #*37192*, *Report* #*37698*, I refer you to my letter of March 22nd, and the letters of my Patent Attorney dated March 21st and 24th., which three letters must be in your position for nearly one month, however I have no word that you made good the mistake of your department.

Therefore I ask you again,—under reference to the law,—to prove to me the right to your act and that you have as stated twice in the same:

"after investigation, determined" and, I will prove that your investigation was never done right, because I can prove that my patent attorney has protested against your act, that I was in correspondence myself from here and through two patents attorneys with the U. S. A. Patent Offices in Washington, D. C. at the time of war between U. S. A. and Germany and that I am staying in this Country for years, before U. S. A. declared war, and that therefore your act and statements therein are holdless, based only on errors and lack of investigation and absolut against the law, mentioned therein.

I have other applications on inventions and Patent allowed and I wish to point out, that you have no right at all to take, dispose or keep anything of my property according to the laws and that I protest again against your act above mentioned and others, if done, and demand the immediate reconstruction of my rights and damages, occurred by any of your acts against my property.

Your New York office, Mr. Kennedy, whom I saw Thursday, March 26th, regarding this matter stated that he knows nothing about the act and the letters above mentioned and that he would do nothing in the case, but He was unable to show me any law or any right that would be able or fit to back up your action. His only excuse stated also in your act that in my application, prepared in 1914 before the big war started and made in 1915, my home address was given in Germany gives you no right to date back, the law mentioned in your act to pre war time, not even a foreign law in power before the said U. S. A. law came into power would give you the right to your act, which I declare as null and void on account of holdless statements in the same, non-investigation and errors.

I await your prompt attention after you failed to do so for the last four weeks, and oblige

Veru truly yours,
(Sgd.) F. M. EUGENE BLASS.

* * * * * * * * * * * * * * * * *
* Alien Property Custodian *
* Received April 17 1919 *
* Noted C. D. C. *
* Date 4/24/17 *
* Ans'd .....Date..... *
* * * * * * * * * * * * * * * * *

PLAINTIFF'S EXHIBIT No. 459.

April 22, 1919.

In Re: Trust No. G-37192, Report 37698

John Lotka, Esquire,
Patent Attorney,
23 Beaver Street,
New York, N. Y.

Dear Sir:

Referring to your letter of March 24, 1919, in

which you state that Ferdinand Max Eugen Blass has been a resident in the United States since August 1, 1914, and indicate, therefore, that the seizure of the application for patents was erroneous, please be advised that this matter is receiving our attention, and that you will be informed in due course.

In replying, please refer to the above Trust and Report numbers.

Very truly yours,
Division of Patents.
By
Chief of Division.

RCG:SMB

PLAINTIFF'S EXHIBIT No. 460.

ALIEN PROPERTY CUSTODIAN
Sixteenth and P Streets NW.
Washington, D. C.

April 24, 1919.

Mr. R. C. Goldstein:
Washington, D. C.

Re Trust No. 37192—Report No. 37698

Dear Mr. Goldstein:

Referring to the letter of Mr. John Lotka he should present a claim to the Alien Property Custodian and give notice to The Chemical Foundation. He is of course limited to the proceeds under the Act as amended, but if the case is a meritorious one some arrangement can probably be arrived at with The Foundation.

Yours very truly,
(Sgd.) RAMSAY HOGUET.

RH:P

* * * * * * * * * * * * * * * * *
* Alien Property Custodian *
* Received April 25 1919 *
* Noted C D C Date 4/29/19 *
* Ans'd .....Date..... *
* * * * * * * * * * * * * * * * *

PLAINTIFF'S EXHIBIT No. 461.

May 3, 1919.

In Re: Trust G-37192, Report 37698
John Lotka, Esquire,
Patent Attorney,
23 Beaver Street,
New York, N. Y.
Dear Sir:

With reference to your letter of March 24, 1919, in relation to several applications which have been taken over by the Alien Property Custodian, as belonging to Ferdinand Max Eugen Blass, Mulheim-on-the-Rhine, Germany, it is desired to state that these applications have been transferred to the Chemical Foundation, Incorporated, of New York, Ramsay Hoguet, Esquire, Patent Counsel, 149 Broadway, New York.

It is suggested that you may communicate with Mr. Hoguet, in relation to the transfer if you so desire.

Very truly yours,
DIVISION OF PATENTS,
By (Sgd.) ROBERT C. GOLDSTEIN,
Chief of Division.

RCG:SMB

PLAINTIFF'S EXHIBIT No. 462.

210 North Clinton St.,
East Orange, N. J.
May 9th, 1919.

The Alien Property Custodian,
Washington, D. C.
Dear Sir:—

I refer you to my letters of March 22nd. and April 1yth., 1919, sent from 105 11th. Ave., Newark, N. J., and protest again against your act and the trans-

ferring of my property to the Chemical Foundation, Inc., New York, as well as against the discharge of my Patent Attorney, as done so, stated in your letter of May 3th. and the letter of the Patent Offices, mailed to my Patent Attorney.

Will you please inform me as soon as possible, why you omit to answer my protests and why you, knowing that your act is holdless and against the law, have transferred and disposed over my property? You are liable for your doings.

Very truly,

(Sgd.) EUGENE BLASS.

General File No. 2114

ALIEN PROPERTY CUSTODIAN
Received May 12, 1919
Noted R C G Date May 12, 1919
Ans'd ..... Date .....

PLAINTIFF'S EXHIBIT No. 463.

ALIEN PROPERTY CUSTODIAN
Sixteenth and P Streets NW.
Washington, D. C.

June 2, 1919.

Mr. Robert C. Goldstein,
Division of Patents,
Washington, D. C.

Trust No. G-37192—Report No. 37698
In re: F. M. Eugene Blass

Dear Mr. Goldstein:

In making the investigation for the seizure of pat-

ents which were sold to The Chemical Foundation, it was obviously impossible to find the present address of each patent owner and it was therefore necessary to be guided entirely by the record. If it is a fact that these applications are owned by a resident, it will be a simple matter for The Chemical Foundation to rectify the error. In fact a much more simple manner would be to rectify the error through the procedure prescribed by Section 9 of the Trading with the Enemy Act.

Will you please write Mr. Blass asking him to let us have a short verified statement of the facts so that the directors of The Chemical Foundation may have something to act upon, and I will have the matter taken up immediately.

Yours very truly,
(Sgd.) RAMSAY HOGUET.

RH:P

* * * * * * * * * * *
* ALIEN PROPERTY CUSTODIAN *
* Received June 3, 1919. *
* Noted ..... Date ..... *
* Ans'd ..... Date ..... *
* * * * * * * * * * *

PLAINTIFF'S EXHIBIT No. 464.

June 18, 1919.

Trust G-37192
Report 37698

Mr. F. M. Eugene Blass,
210 N. Clinton Street,
East Orange, N. J.

Dear Sir:

With reference to your letter of June 10, 1919, it

is desired to state that we have taken this matter up with Mr. Ramsay Hoguet, Esquire, 149 Broadway, New York, the Patent Counsel for the Chemical Foundation, Inc., of New York, and he suggests that we advise you to file with him a short verified statement of the facts so that the Chemical Foundation, Inc., may have your statement of the case properly before them, and upon receipt of this statement the matter will be given immediate attention.

Very truly yours,
DIVISION OF PATENTS,
By (Sgd.) ROBERT C. GOLDSTEIN,
Chief of Division.

RCG:SMB

PLAINTIFF'S EXHIBIT No. 465.

September 11, 1919.

Ramsey Hoguet, Esq.,
149 Broadway,
New York, N. Y.

Re Trust G-37192—Report 37698 Enemy
F. M. Eugene Blass:

Dear Mr. Hoguet:—

The Blass matter comes up again in a letter which he has written to the President. I have talked it over with Mr. Garvan and he concurs in my recommendation that the Chemical Foundation should turn over the patents in question to Blass, taking from him, if it so desires, an assignment of his right to claim the sale value thereof under Section 9.

This of course, is on the assumption that Blass has proved that he is the owner of the patent.

Can you not get the matter settled shortly? Blass has written to the two New Jersey Senators, two Representatives, the Alien Property Custodian and the

President of the United States, and I do not know whom he will tackle next.

Very truly yours,

(Sgd.) H. E. AHERN,
Director, Bureau of Trusts.

HEA/S.H.

PLAINTIFF'S EXHIBIT No. 466.

ALIEN PROPERTY CUSTODIAN
Sixteenth and P Streets NW.
Washington, D. C.

RAMSAY HOGUET
149 Broadway
New York City

R. C. G. Sept. 16, 1919

September 13, 1919.

Mr. H. E. Ahern,
Bureau of Trusts,
Alien Property Custodian,
Sixteenth & P Streets, N. W.,
Washington, D. C.

Trust G-37192—Report 37698—Enemy: F. M. Eugen Blass

My dear Mr. Ahern:

I have your letter of the eleventh instant re the above trust.

Of course I have no objection whatever to re-assigning the applications in question to Blass if he will establish that he is the owner of them and that he was not at the time of the seizure an enemy as defined by the "Trading with the Enemy Act" and no enemy interest in the patents existed. You will realize, of course, that in making these seizures we have to be guided entirely by the record. We can not investigate the residence of each applicant or patentee and must accept the statement of residence contained in his patent or specification. This may lead to a mistake in seizure of course, since the applicant or pat-

entee may have changed his residence since filing his application, and this is apparently what happened in this case. I have two or three other cases of the same character which we are adjusting without difficulty.

The trouble in this case seems to be that Blass is a crank and will not give us the information upon which we can act. As far back as July 8th I wrote to Mr. John Lotka, Mr. Blass' attorney, that we would take action upon receipt of a verified showing of the facts as to Blass' citizenship and residence and communicated with him over the telephone about the matter. I was given to understand that this statement was forthcoming promptly. On June 2nd I wrote Mr. Goldstein asking him to write Mr. Blass requesting a short verified statement of the facts and I assume that Mr. Goldstein followed my instructions. I am again writing Mr. Lotka, asking for a statement of the facts and I trust you will appreciate that while I have all the good will in the world in this matter, we cannot act until we have some definite information. If Mr. Blass would have devoted one-half the interest that he has devoted to senators, representatives and the President to getting up a short statement of the facts, we could have cleaned the matter up long ago. I trust that we will be able to get the matter settled without further inconvenience to you. It looks as if Mr. Blass has exhausted all the sources of letter writing, although he might consider writing to Colonel House and Mr. Gompers.

Believe me,

Very truly yours,

(Sgd.) RAMSAY HOGUET.

L:PA

* * * * * * * * * * * *

* ALIEN PROPERTY CUSTODIAN *
* Received Sept. 16, 1919 *
* Noted ..... Date ..... *
* Ans'd ..... Date ..... *

* * * * * * * * * * * *

PLAINTIFF'S EXHIBIT No. 467.

EMERY, VARNEY, BLAIR & HOGUET
Counsellors at Law
149 Broadway
New York

Frederick L. Emery
Thomas B. Booth
Laurence A. Janney
Lucius E. Varney
Irving U. Townsend
Robert S. Blair
Ramsay Hoguet
Edward H. Palmer
Osgood H. Dowell
Everett S. Emery
Louis A. Jones
Edward G. Curtis
Manvel Whittemore
John W. Thompson

Lawrence G. Miller
Preston Upham
Howard W. Dix
Thomas J. Johnston
Edward M. Evarts
Amasa M. Holcombe
Hadley F. Freeman
Tine N. Daggett
Henry J. Weidner

Telephone Cortlandt 1090

Boston
Emery, Booth, Janney & Varney,
50 Congress St.
Tel. Main 5161

Chicago
Emery, Booth, Janney & Varney,
10 South La Salle St.
Tel. Franklin 1145

Washington
Emery, Booth, Janney & Varney,
Washington Loan & Trust Bldg.
Tel. Franklin 7974

Cable Embojava
Western Union Code

October 29, 1920.

Mr. Harry Caton,
Alien Property Custodian,
Sixteenth & P Streets, N. W.,
Washington, D. C.

My dear Caton:

I find on looking up the Blass matter that in November of last year I wrote Mr. Ahern stating that I had prepared an assignment of the patents in question. I sent a copy to Mr. Blass's attorney, together with a release of any claims Blass might have against the Custodian, but not having received the release from Blass, the assignment has not been delivered. I thought it unwise to assign the inventions without getting a clean bill of health for the Custodian, as Blass might make trouble even after his property had been returned to him.

In case you wish to take the matter up directly with him, I am sending you herewith the executed as-

signment which you may deliver or not as you think wise.

Very truly yours,
(Sgd.) RAMSAY HOGUET.

L:PA

* * * * * * * * * * *
* ALIEN PROPERTY CUSTODIAN *
* Received Oct. 30, 1920. *
* Noted ..... Date ..... *
* Ans'd ..... Date ..... *
* * * * * * * * * * *

PLAINTIFF'S EXHIBIT No. 468.

COPY

R. M. EUGENE BLASS
8 West Park St.
Newark, N. J., Nov. 3, 1919.

To the President
Executive Mansion,
Washington, D. C.
Mr. President:—

With letter of August 30, 1919, I have brought your attention to the fact that the Alien Property Custodian, Mitchell Palmer, has against Law and proclamation seized my two valuable patent applications, and in spite of several protests made immediately after issue of the seizure act, knowing that the act was holdless, he resp. his successor turned over the property to my competitors and revoked the power of my attorney.

The enclosure explains the matter more in detail, I have signed the statements before a notary public to give without further loss on time, a true explanation about the whole affair, and I await prompt action in this matter, and an early reply that you are willing

to do under consideration of the law and your own proclamations, after the Custodian and his staff failed to make good their mistakes, and did not give me satisfaction, and I am without a reply to my above named letter, stating what you have found and decided by investigation of the case.

I have lost on account of the war, without my fault, my position and money and through the seizure act I am handicapt to use these valuable inventions in my lines or to offer the same for utilization and to obtain money thereon for living. Is it possible that you allow that a man with his family has to suffer for the simple reason that he was born in Germany, and that an officer of the U. S. Government took away from him, on wrong statements, his property which would have enabled him to build up a new existence, after he lost completely by the war? Can you allow the doings of said custodian in spite of your own words and for the sake of humanity and justice?

Respectfully submitted

(Sgd.) F. M. EUGENE BLASS.

1 Affidavit.

PLAINTIFF'S EXHIBIT No. 469.

COPY

F. M. Eugene Blass
8 West Park St.
Newark, N. J., Nov. 3, 1919.

Affidavit.

To Whom it May Concern:

I, the undersigned, Ferdinand Max Eugene Blass, sole owner and inventor of the inventions, placed with the U. S. A. Patent Office, Washington, D. C., and filed there on November 24, 1915, under: Serial No. 63,231 and 63,232, entitled respectively: "Device for

Charging Retorts and the like" and "Gas Producer" declare that I came to this Country first on the Steamer Kaiser Wilhelm II on April 23, 1913, and left with the same steamer on Dec. 17, 1913 after my staying in South Bethlehem, Pa.

On January 27, 1914 I returned with my family on the Steamer George Washington and since that time I have not left the United States of America, but have lived in Bethlehem, Pa.; Perth Amboy, N. J.; Providence, R. I.; Pawtucket, R. I.; Long Branch, N. J.; Newark, N. J., and East Orange, N. J.

I have stated in my both before named patent applications that my residence were in Muelheim-on-the-Rhine for certain true and considerable reasons, however, the same applications I have signed and sworn to before a notary public, in New York, U. S. A. in 1915, after I had ordered my attorney John Lotka to file both applications in the summer of 1914, on which time I had still my residence in Germany and intended to return to it, as I have stated by my landing 1914.

The fact that my applications are made and sworn to in New York, in 1915, proves that I was in this country after the big war started; my correspondence with the Patent Offices and its acceptance of my check sent from Newark in time of War between the U. S. A. and Germany, and my registrations as war measurement in the several cities and government offices, give further evidence regarding my staying in this Country in time of war, and the obtaining of my first paper, taken out last December in the U. S. Court, Newark, N. J., is further evidence that I am not an enemy under the "Trade with the Enemy Act" and that according to this Act and the proclamation of the U. S. A. President I am entitled to full protection of myself and my property and that therefore the before named Patent Applications can-

not be taken away from me, or disposed of against my will and consent.

I further declare, that the Seizure Act of the Alien Property Custodian, dated March 1, and signed by Mitchell Palmer cannot be held upright under the "Trade with the Enemy Act" and the statements named and signed in the Seizure Act, which is based on wrong statements and carried out under protests of my attorney and myself, by letters and in person, placed with the office of said Custodian, the New Jersey Senators Frelinghuysen and Edge, the Congressman of the 9th District, and the President of the U. S. A., have never been evidenced by said Mitchell Palmer or his staff, in spite that I have asked for at several times and that my patent attorney, Mr. John Lotka, New York; and I have offered to prove the contrary of the statements in the seizure act.

Both patent applications are turned over to my competitors, a Corporation in New York, incorporated under the laws of Delaware in spite of the protests made against the seizure act and after my attorney was informed that our protest should find due consideration. The power of my attorney was revoked while he protested against the seizure act, about 14 days after he was informed that our protest should find due consideration and since beginning of May 1919 my property is in the hands of my competitors and all my efforts to have restored my right and properly protection are still resultless.

I do not intend to stop my protests against the unjust and unexcusable doings of said Custodian and his staff, however, I will set forth with all possible means my efforts to have restored my valuable property and payment for damages occurred through the false statements in the Seizure Act and nonobservance of the protests made immediately after issue of the

Seizure Act, March 21, 1919, before the property was turned over to my competitors.

I can furnish unquestionable proofs for these statements made before and I swear that they are true and correct.

STATE OF NEW JERSEY, } ss:
COUNTY OF ESSEX, }

(Sgd.) F. M. EUGENE BLASS.

Subscribed and sworn to before me this third day of November 1919. } (Sgd.) FRED H. CARL.
(Seal) *Notary Public.*

PLAINTIFF'S EXHIBIT No. 470.

G-37192 November 11, 1920.
R-37698
F. M. Eugen Blass, Esq.,
209 Union Avenue,
Long Branch, New Jersey.
Dear Sir:

In answer to your letter dated October 1, 1920 addressed to Mr. Francis P. Garvan, Alien Property Custodian, and previous correspondence on the subject of your application for letters patent of the United States No. 63231 and 63232, you are advised as follows:

Based upon the record of the Patent Office, that you were a resident at Mulheim-on-the-Rhine, Germany, your rights in these applications was demanded by the Alien Property Custodian under the terms of the Trading with the Enemy Act. By virtue of such demand the Alien Property Custodian conveyed such interest to the Chemical Foundation, Incorporated.

Upon your showing that at the time of our demand you were a resident of the United States, we have secured from the Chemical Foundation, Incorporated, a release and assignment conveying to you said applications, the effect of which would be to reinstate you in all of your rights thereunder as such rights existed at the time of our action. Sometime since Mr. Ramsay Hoguet sent to you a form of release for execution by you and stated that upon the delivery of such release, the assignment would be delivered to you. This office holds the assignment properly executed by the Chemical Foundation, Incorporated, and upon delivery of the release referred to will deliver to you the assignment. You will see from the above that the office is ready to satisfy you as to all of your rights upon your compliance with the proper request of the Alien Property Custodian in the matter.

Very truly yours,

BUREAU OF TRUSTS.

By (Sgd.) CHAS. B. CALVERT.

CBC/MS.

PLAINTIFF'S EXHIBIT No. 471.

EMERY, VARNEY, BLAIR & HOGUET
Counsellors at Law
149 Broadway
New York

Frederick L. Emery
Thomas B. Booth
Laurence A. Janney
Lucius E. Varney
Irving U. Townsend
Robert S. Blair
Jesse W. Morton
Ramsay Hoguet
Edward H. Palmer
Osgood H. Dowell
Everett S. Emery
Louis A. Jones
Edward G. Curtis
Manvel Whittemore

John W. Thompson
Lawrence G. Miller
Sebastian Hinton
Preston Upham
Howard W. Dix
Thomas J. Johnston
Clarence O. McKay
Edward M. Evarts
Hadley F. Freeman

Telephone Cortlandt 8677

Boston
Emery, Booth, Janney & Varney,
50 Congress St.
Tel. Main 5161

Chicago
Emery, Booth, Janney & Varney,
10 South La Salle St.
Tel. Franklin 1145

Washington
Emery, Booth, Janney & Varney,
Washington Loan & Trust Bldg.
Tel. Franklin 7974

Cable Embojava
Western Union Code

November 11, 1919.

Mr. H. E. Ahern,
Managing Director,
Alien Property Custodian,
Washington, D. C.

Trust No. G-37192; Report No. 37,698

Dear Mr. Ahern:

Please send me the original of Mr. Blass's affidavit and I will use it as a basis for the reconveyance of the patents.

Very truly yours,
(Sgd.) RAMSAY HOGUET.

L:PA

ALIEN PROPERTY CUSTODIAN
Received Nov. 13, 1919
Noted H E A Date .....
Ans'd ....Date 11/13/19

PLAINTIFF'S EXHIBIT No. 472.

November 13, 1919.

F. M. Eugene Blass, Esquire,
#6 West Park Street,
Newark, New Jersey.

Re: Trust G-67192—Report #67694:

Dear Sir:—

Your two letters of November 3rd, 1919, one to the Alien Property Custodian, and one to the President of the United States, have been referred to me for reply.

As we have frequently informed you, the only method by which these patents may be re-assigned to you, is by action of the Chemical Foundation, Incorporated. I have sent the affidavit which you inclosed with your letter to the President, to Mr. Ramsay Hoguet, counsel for the Chemical Foundation, who will take the matter up with you.

You may save yourself much trouble by getting in touch with Mr. Hoguet. Please do so. I think that the matter can be arranged satisfactorily to you in short order.

Yours very truly,

Managing Director.

HEA/SH

PLAINTIFF'S EXHIBIT No. 473.

ALIEN PROPERTY CUSTODIAN
Sixteenth and P Streets NW.
Washington, D. C.

RAMSAY HOGUET
149 Broadway
New York City

November 15, 1919.

Mr. H. E. Ahern,
Managing Director,
Alien Property Custodian,
Washington, D. C.

Trust No. G37192—Report No. 37698

Dear Mr. Ahern:

I acknowledge receipt of yours of the 13th in the above matter, enclosing the affidavit of F. M. Eugen Blass. I have prepared an assignment of the patents, a copy of which I have sent to his attorney, together with a release of any claims Blass may have against the Custodian and hope to get the matter closed shortly.

Very truly yours,
(Sgd.) RAMSAY HOGUET.

L:PA

R C G Nov. 18, 1919.

PLAINTIFF'S EXHIBIT No. 474.

209 Union Ave., Long Branch, N. J.
Nov. 22, 1920.

Alien Property Custodian, G.-37192
Washington, D. C. R.-37698

Sir:—

In reply to yours of the 11th. Inst. I bring your attention to the fact, that you have had no legal right to base the seizure of my patents applications on state-

ments of the patent office, nor on the statements I made in said applications in 1914 before the great war started or in 1915, two years before the U. S. A. declared war on Germany.

The Trade with the Enemy Act came into effect in October, 1917, at which time, as stated in my affidavit, I was in this Country, the same I was, as stated in my applications of the two patents: sworn to before a notary public in New York in 1915.

It is unlegal to make up a seizure act, stating therein: "After careful investigation" etc. and have not made an investigation at all but only acted an a list of office employees who know nothing about investigation and right. But this was not the only fault in your doings: You acted, my attorney and I myself protested against your holdless act. You promised due investigation, but you did not investigate, but sold and transferred my property. There are three unexcusable faults on your part:

1. Dating back a law for three years.
2. Holdless statements under service oath.
3. Neglecting my protests and selling and transferring of my property, knowing that I was no alien enemy under the Trading with the Enemy Act and living in this Country.

I can prove that the U. S. Patent Office cashed my checks in time of war 1917, before you seized my property in 1919 after the Armistice was signed and that shows just enough that you and the Patent Offices did wrong and all your doings against me is illegal. You have caused me unnecessary troubles and loss and I want my property back from you and full restoration of all my rights and power, also recovering of damages, and I refuse to assign my legal rights against you and the Patent Offices or the U. S. A. Treasurer

to the Chemical Foundation, Co., Inc., because I have nothing to do with them. If you had done right after you received my protest right after the seizure act, you could not sell and transfer my property, nor could you legal revoke the power of my attorney, which I have paid, because you have no right to interfere with my private business and stop my attorney to take care of my interests, because that is against the Constitution.

According to the facts, you have to change the statements of your letter, and I await prompt attention and action.

Very truly yours,
(Sgd.) F. M. EUGENE BLASS.

ALIEN PROPERTY CUSTODIAN Received Nov. 24, 1920. Noted .... Date 11/24/20 Ans'd .... Date	See letter of 11th. inst. by Calvert

PLAINTIFF'S EXHIBIT No. 475.

DUELL, WARFIELD & DUELL
Counsellors at Law
19 West 44th Street, New York

Frederic P. Warfield
Holland S. Duell
Charles H. Duell
James W. Anderson
Leonard A. Watson
Roscoe Stewart
David A. Woodcock
Carl W. Weeks

George C. Beach
Of Counsel

Patent, Corporation and Trade-Mark Law
Telephone Vanderbilt 463
Cable Address "Duelfield"

January 3, 1921.

Alien Property Custodian,
P and 16th Streets, N. W.,
Washington, D. C.

Re: Trust G-37192

Dear Sir:

Your letter of November 11, 1920, to Mr. F. M. E. Blass was brought to this office together with previous correspondence in this case.

I have had Mr. Blass execute the release and assignment to the Chemical Foundation, Inc., similar to the one you forwarded to him. I did not use the form forwarded by you because in the form you sent, the serial numbers of the patent applications were incorrectly stated. In your form the serial numbers were put down as 62,231 and 62,232, whereas they should be 63,231 and 63,232.

Inasmuch as your office holds the assignment properly executed by the Chemical Foundation, Inc., I am sending the release and assignment to you.

I am also enclosing the original form sent by you. Please send the assignment from the Chemical Foundation, Inc., to me.

Yours very truly,

(Sgd.) CHESTER A. DUNHAM.

CAD MCB
Enclosures.

ALIEN PROPERTY CUSTODIAN
Received Jan. 4, 1921.
Noted ..... Date .....
Ans'd JRZ Date 1/5...

PLAINTIFF'S EXHIBIT No. 476.

January 5, 1921.

Chemical Foundation, Inc.,
81 Fulton Street,
New York City.

Attention, Dr. L. Van Doren.

Dear Doctor:—

As I am in trouble again, I am going to ask you to do me a favor.

Under date of November 18, 1919, the Chemical Foundation, Inc., executed an Assignment covering Serial Nos. 63,231 and 63,232, assigning the same to Ferdinand Max Eugen Blass.

On account of various delays in securing a proper release, this Assignment was never delivered and is now out of date.

I have made an exact copy of this Assignment in triplicate and am going to ask you if you will kindly have it executed and returned to me, retaining one of the carbons for your files.

I am holding the executed release which is made out to the Chemical Foundation, Inc., and will forward the same to you on receipt of the re-executed Assignment.

Thanking you in advance, I am,

Very truly yours,

.....

Divi

PLAINTIFF'S EXHIBIT No. 477.

January 5, 1921.

Duell, Warfield & Duell,
19 West 44th Street,
New York City.

Attention, Mr. Chester A. Dunham.

Gentlemen:—

I am in receipt of your letter of January 3rd., enclosing executed release and Assignment to the Chemical Foundation, Inc.

The Assignment by the Chemical Foundation, Inc., to Mr. F. M. E. Blass was executed November 18, 1919, and not having been recorded within ninety days, as I understand is required by law, would not convey a perfect title.

I have made out a copy of this Assignment and have forwarded it to Dr. L. Van Doren, of the Chemical Foundation, Inc., with the request that it be executed and returned to me at once, and am holding your release until I receive the re-executed Assignment.

I will give this matter my personal attention and do all in my power to have it handled promptly.

Yours very truly,

.....

Division of Records.

JRZ:MBJ

PLAINTIFF'S EXHIBIT No. 478.

209 Union Ave., Long Branch, N. J.
3/27.21

Thomas W. Miller, Esq.
Alien Property Custodian,
Washington, D. C,

Sir:—

In reply to yours of the 25. inst. I wish to state,

that I am unable to understand in which way I shall co-operate with your office, after they have refused to accept my release of January 3th, 1921 and fullfil their promise given to me in the letter of Nov. 11, 1920 to me and afterwards to my attorney, named in previous letters, according to which promise my ownership rights must have been restored immediately after January 4th, 1921.

Having given the release only under such terms, and upon failure of the office (Bureau of Trusts) to keep their promise regarding the immediate restoration of my rights and after I was informed that your office refused to accept the release I had given them on their own request (as said before), and because the release came not back in my hands and I had to fear that it could be used to diminish my legal rights, and, after the letter of the Chemical Foundation Corp. of Jan. 26, 1921, proved to me, that they did not intend to return my property without further troubles or me unknown things, I had to protect my interest by mailing my letter of January 31, 1921.

The attitude of the office of the former Custodian and the said Corporation, neglecting my protests, letters and inquiries did not left any other step for me. I never have given up my claims on my property and damages, because I have no reason to do so. Seizure act and further proceedings were illigal and I have the law and constitution for my protection.

I have asked in several letters for a clear and unbiassed statement of the whole affair and have shown and offered my willingness to work with you or the U. S. A. Government, to obtain a quick and friendly settlement, but your office has failed to answer my questions and neglected my letters, the same is done by the Chemical Foundation Corp. Inc., therefore I cannot understand what I could gain now by negotiation with the latter.

After the office of the former Custodian, last January refused to accept the release and failed to restore to me, my property in an undamaged form without saying for what reason they did not live up to the promise of Nov. 11, 1920, I have to fear that there are damages done and I want to have full protection by the U. S. A. Gorvernment and the Patent Offices (based on the law) against any damages on these inventions that may be due to the seizure act or the transfering of the same. Especially I want to know, 1) at which date the inventions were sold and transfered and 2) the amount paid for by said Corporation?

3) What did they do with said inventions?
4) What amendmends and proceedings were made by them?
5) What persons, corporations or firms have had an opportunity to see the inventions or the applications for letter of patents and the proceedings, after March 1, 1919?
6) What negotiations regarding the utilization of the inventions were carried on by the Chemical Foundation Corp. Inc.
7) What amount of damages will be paid to me:
   a) for the holdless seizure act?
   b) for revoking of the power of my attorney, Mr. John Lotka?
   c) for the sale and transfer of my property, after I had protested against the seizure act, and the Custodian had promised an intensive investigation?
   d) for damages occurred by holding back my property against law and right, making the utilization of the same impossible for me?
8) What amount of money for claimed damages will the Chemical Foundation Corp. Inc. receive from the U. S. A. Government, for which proceedings

they want from me the release and assignment of my claims? They can not have any legal claims for damages in the case, the only party, entitled for damages is the writer of this letter, and therefore he wants to know what is going on in the matter, after his proper release, requested by the office, was rejected last January.

9) What became of my release, dated Jan. 3th, 1921? I would like it back!

As soon as I receive satisfactory replies to my questions of former letters and the above, and the whole matter is cleared in a satisfactory way for all concerned, I will do everything possible in my power to assist you and the U. S. A. Government to straighten out in a satisfactory way and manner the troubles brought on by the former Custodian and his staff.

Assuring you again my full co-operation and asking you again for a prompt attention and settlement, I wish to remain,

Respectfully yours,
(Sgd.) F. M. EUGENE BLASS.

PLAINTIFF'S EXHIBIT No. 479.

G-37192
R-37698

March 17th, 1921.

Mr. F. M. Eugene Blass,
209 Union Avenue,
Long Branch, New Jersey.

Dear Sir:

Your letter dated March 13th, 1921 addressed to Thomas W. Miller, Alien Property Custodian, in reference to certain patents registered in your name and demanded by this office, has been referred to me for

attention. It has been our desire to adjust this matter in accordance with your legal rights under the limitations of the Trading with the Enemy Act. The patents referred to were demanded because according to the Patent Office records your residence was stated as Mulheim-on-the-Rhine, Germany, and upon the basis of this record we demanded the patents as enemy property. By virtue of this demand the patents became vested in the Alien Property Custodian and were transferred in usual course in accordance with the law to the Chemical Foundation, Inc. Upon being informed by you of the fact, and our investigation of the matter being in accordance with your statement that you were not an enemy under the Trading with the Enemy Act, we secured from the Chemical Foundation, Inc., a re-assignment of the patents demanded to you. We have advised you that we would deliver this assignment to you upon the execution by you of a release to the Chemical Foundation, Inc., and the Alien Property Custodian and the reason you have not secured the assignment is because you refused to concur in this arrangement of the matter. The only method under the law to secure a return to you of your rights in these patents is by the method which we propose or the filing by you of a claim under Section 9 of the Trading with the Enemy Act, the allowance thereof and then a reassignment from the Chemical Foundation, Inc., to you upon the execution of proper release. The procedure under Section 9 of the Trading with the Enemy Act is more circuitous and therefore not as expeditious as the one that we propose.

If you are willing to execute the release to the Chemical Foundation, Inc., and the Alien Property Custodian, that we have requested, we will procure an assignment from the Chemical Foundation, Inc., to you and thus re-establish in your name your full

rights in the property referred to. We trust that there will be no further difficulty in adjusting this matter with this full explanation of the necessary procedure to be followed.

Very truly yours,

BUREAU OF TRUSTS.

By (Sgd.) CHAS. B. CALVERT.

CBC/HMS

PLAINTIFF'S EXHIBIT No. 480.

209 Union Ave., Long Branch, N. J.
March 18, 1921.

Thomas W. Miller, Esq.
Alien Property Custodian,
Washington, D. C.

Sir:—

I have addressed to you March 13, an appeal for investigation and assistance in the case of seizure of my two valuable patent applications: G-37192, R-37698 and I received today a letter signed by Mr. Charl. B. Calvert that I can not understand considering all circumstances.

I give my reply to this letter enclosed and I would appreciate it very much indeed, if after all troubles I had in the matter, you would undertake or order an intensive investigation of the matter by an umpire in order that this matter can be settled without further loss of time, because if it goes on in the old way nothing can be gained for all concerned, it only will result in loss and dissatisfaction.

It looks to me that there is some mixup in the matter and that the writter of the letters, Mr. Charl. B. Calvert, Bureau of Trusts, who signed the letter Nov. 11, 1920 and March 17; is not rightly informed about the whole situation and the fact that my release

was forwarded to the office of the Custodian as asked by him, but rejected, and that therefore said office failed to fulfill their promise; now they try again to blame me, as they always did in order to find an excuse.

If the protests of my attorney and myself would have had the prompt attention of the office of the Custodian, in March and April 1919, that property could not have been sold and transferred, and all concerned would not have had the troubles and expenses. If the office of the former Custodians had had really the good will to make good their mistakes, as the officers state in several letters, why not did they withdraw the seizure act in March 1919, after the first protests were placed with them, that would have saved all the troubles and loss they have made me. They could not sell and transfer before they seized my property, and my protests where filed immediately after the act of seizure was made known to my attorney. If the property was sold and transferred before it was seized, the whole action is void anyhow and it would be useless to release the Chemical Foundation Corp. or to assign to them my legal rights out of the seizure act. There must be somethings entirely wrong and that should be cleared.

Respectfully yours,

(Sgd.) F M. EUGENE BLASS.

PLAINTIFF'S EXHIBIT No. 481.

MEMORANDUM

To: Colonel Miller March 23, 1921.
From: Mr. Caton.

The facts in the case referred to in the attached letter addressed you by F. M. Eugene Blass are as follows:

On March 4th, 1919 Will T. Gordon after an examination of the records of the Patent Office made Report No. 37698 reporting that Ferdinand Max Eugen Blass, whose residence according to the Patent Office records was Mulheim-on-the-Rhine, Germany, was the owner of patent applications, serial Nos. 63,231 and 63,232.

The residence of the owner of the patent applications appearing to be in Germany, the Custodian issued a demand directed to the Commissioner of Patents, service of which demand was accepted March 24th, 1919 and the demand recorded in the records of the Patent Office on March 26th, 1919.

On March 25th, 1919 the Custodian received from John Lotka, attorney for Mr. Blass, the first intimation that Mr. Blass was resident in this country.

On April 10th, 1919 the Custodian executed an assignment to the Chemical Foundation which assignment covered a large number of patents, patent applications and trademarks. This assignment was drawn up some days prior to its execution and included the two patent applications reported as the property of Ferdinand Max Eugen Blass. Mr. Blass was advised of the situation and of the fact that the Custodian was communicating with the attorney for the Chemical Foundation with a view of having executed by the Chemical Foundation a quit claim or reassignment of the two patent applications and thus cure the defect in his record title to the applications. The attorney for the Chemical Foundation took the matter up with Mr. Blass' attorney, and agreed to have the Chemical Foundation execute a reassignment and deliver the same against a release executed by Mr. Blass.

On the 18th of November, 1919 the Chemical Foundation executed the reassignment and forwarded the same to this office to be delivered to Mr. Blass upon the receipt of the release.

In January, 1921 Mr. Blass forwarded to this office the release, but inasmuch as the assignment executed by the Chemical Foundation had been executed for more than ninety days, it was invalid for recordation purposes and the Chemical Foundation was on January 5th, 1921 requested to execute a new assignment.

On January 5th, 1921 the attorneys for Mr. Blass were advised of the situation and of the fact that the Chemical Foundation had been requested to execute the new assignment.

On January 31st, 1921 Mr. Blass addressed this office and withdrew the release.

Mr. Blass was advised that if he would reexecute the release withdrawn by him and present the same to the Chemical Foundation, the Foundation would reexecute the quit claim. It appears that he has not pursued the course suggested by us, but has preferred to complain rather than to cooperate in a settlement of the case.

HBC:CK

PLAINTIFF'S EXHIBIT No. 482.

209 Union Ave., Long Branch, N. J.
March 13, 1921.

G-37192.
R-37698.
Thomas W. Miller, Esq.
Alien Property Custodian,
Washington, D. C.
Sir:—

Since nearly two years I am waiting for the res-

toration of my ownership rights on two valuable patent applications, which was seized under false statements and under protests, but in spite of these protests sold to the Chemical Foundation Corp. who still holds the same.

My several letters to the office of the Alien Custodian are mostly ignored. I have appealed to the New Jersey Senators and the Congressman also to the former President of the U. S. A. and placed with him my affidavit, dated Nov. 3, 19.

With letter of November 11, 1920, I was informed by Mr. Chas. B. Calvert, Bureau of Trusts, that upon delivery of my release, they would immediately restore my rights.

Then I have taken up this matter with an attorney, who had investigated the case and taken up the matter with the office of the Custodian, have signed the release and he has forwarded same, January 3th to the Custodian, but up to the present, the Custodian has failed to do as promised in his letter of Nov. 11, 1920.

After receiving a letter of the Chemical Foundation Corp. I have, protecting my rights, with letter of January 31, withdrawn my release, because I had given the same only under the terms, that after the same was placed with the Custodian, he would, according to his promise immediately return my property. I do not know what the Chemical Foundation Corp. nor the Alien Custodian has in their mind by holding back the property, after the first one had under certain pretence obtained my signature.

I have called at the Chemical Foundation Corp. two times, once in person with a party interested in the patents, but I could not obtain any information or reason for their attitude and they have failed up to the present to follow my request for a written statement. Through the holdless and illegal seizure act

and selling of my property, my business is completely crippled and I am unable to utilize my inventions or to go ahead with my business.

Therefore I would appreciate it very much indeed if you would investigate the case and help me to get back my property, undamaged as it was taken about two years ago, in order that I can use the inventions and can go back to my trade in which I was engaged for more than 20 years.

Very respectfully yours,

(Sgd.) F. M. EUGENE BLASS.

PLAINTIFF'S EXHIBIT No. 483.

T-37192
R-37698

April 7, 1921.

The Chemical Foundation, Inc.,
81 Fulton Street,
New York, N. Y.

Attention: Mr. Corbett

Gentlemen:

In connection with certain patents demanded in the name of FERDINAND MAX EUGEN BLASS, which were assigned to The Chemical Foundation, Inc., and it subsequently appearing that Mr. Blass was a resident of the United States and therefore not to be classed as an enemy, and Mr. Blass having complained to this office in respect to the seizure of his property, your Company executed an assignment dated the 18th of November 1919 to Mr. Blass which assignment was not delivered in proper time on account of delay in receiving a release therefor. Mr. Blass has complained to this office repeatedly about the delay in securing an assignment to him of his property and to satisfy

him, insofar as we are able under the law, we are returning herewith the assignment heretofore executed in that the same cannot be recorded at the present time; likewise enclosing a copy of a new assignment for execution by The Chemical Foundation, Inc., and copy of release to be delivered upon the surrender of such assignment to Mr. Blass. We are writing to Mr. Blass of even date, whose address is 209 Union Avenue, Long Branch, New Jersey, that we have forwarded these papers to you and that you will take the necessary action to close the matter. We shall appreciate it if you will have this assignment executed promptly and notify Mr. Blass that the same is ready for delivery to him upon the execution of the necessary release.

Very truly yours,

Bureau of Trusts.

By (Sgd.) CHAS. B. CALVERT.

CBC/HMS.
encl.

PLAINTIFF'S EXHIBIT No. 484.

VER PLANCK & PRINCE,
Counsellor at Law,
Singer Building 149 Broadway,
New York City.

July 28, 1920.

Alien Property Custodian,
Washington, D. C.

Rep. 47187
Trust No. 12681 G, Division of Patents.

Dear Sir:

Our client, American Kitchen Products Co., has heretofore reported to you regarding the contract it

las with Carl W. Rademacher, a citizen of Germany. This contract provides for the payment to Rademacher of royalties on a process or formulae for making bouillion cubes which was invented by Rademacher and now owned by the American Kitchen Products Company. Our client wants to know if you contemplate selling the rights of Rademacher in this contract. Will you kindly advise us regarding the same, and oblige,

Very truly yours,

VER PLANCK & PRINCE.

WJD/L

Original in report 47187

PLAINTIFF'S EXHIBIT No. 485.

July 30, 1920

Ver Planck & Prince,
Singer Building
149 Broadway,
New York City, N. Y.

Trust 12681

Gentlemen:

Receipt is acknowledged of your letter of July 28, 1920, regarding the contract between the American Kitchen Products Company and Carl W. Rademacher, a citizen of Germany. You will please be advised that all right, title, and interest in this contract formerly vested in the Alien Property Custodian by reason of his demand was tranferred to the Chemical Foundation, Inc., 81 Fulton Street, New York, February 26, 1920. All royalties accruing up to February 26, 1920, should be paid to the Alien Property Custodian. The royalties accruing subsequent to that date should be paid to the Chemical Foundation, Inc.

For such further information as you may desire, you are respectfully referred to the Foundation.

Yours very truly,

DIVISION OF PATENTS,
By R. C. G.,
Chief of Division.

RCG LED

[Note in lead pencil.]

Copied from carbon copy in office copies of all correspondence sent out. In charge of Miss Merrill. In charge of mails and files. 7/21/22.

PLAINTIFF'S EXHIBIT No. 486.

Ramsay Hoguet
149 Broadway
New York City

New York, January 16, 1919

Hon. A. Mitchell Palmer,
Alien Property Custodian,
Washington, D. C.

Dear Mr. Palmer:

I am attaching hereto a rather long letter on the subject of patent seizures and thought that in case you did not have time to go over it in detail I had better summarize my conclusions.

I believe that in view of the President's attitude the right of the Custodian to demand the patents should be exercised sparingly.

If possible, the industry affected by the patent seizure should be the moving party and the Custodian should act at its request and upon its representations. Conferences with representatives of the chemical industry indicated that this can be done very easily.

I believe that we can secure the cooperation of the industries affected to do the necessary clerical work and make searches to establish title in the enemy.

The established policy of selling patents connected with businesses being sold by the Custodian should be continued.

A large number of patents are of no interest whatever and we should confine our efforts to establish industries of importance.

Yours very truly,

(Sgd.) RAMSAY HOGUET.

RH:P

PLAINTIFF'S EXHIBIT No. 486-A.

Ramsay Hoguet
149 Broadway
New York City

New York, January 16, 1919

Hon. A. Mitchell Palmer,
Alien Property Custodian,
Washington, D. C.

Dear Mr. Palmer:

Mr. Whittemore has reported to me the result of his conferences with you and with the other members of the organization, relating to the seizure of patents and I have talked over the subject with him and given sufficient consideration to it to let you have my views in a preliminary fashion. I have also talked over the matter with the attorneys representing some of the principal chemical industries in the country to get, if possible, the outlook of an industry which would be vitally affected by our proposed program.

My recollection of your agreement with Governor Fort is that we then had no intention of demanding and selling any patents except such as form an actual

part of a business which we had demanded and were selling so as to enable the purchaser of the business to continue what it had previously been doing with the assent and concurrence of the related German company. We, however, made exceptions in the cases of some patents unrelated to any industry which were proposed to be sold to the Government, notably the wireless patents proposed to be sold to the Navy and you also stated that there were doubtless a number of patents which were not related to industries under your control but to other American industries which should be sold to the American industries in order to put them into a position to manufacture a product which had theretofore been imported. In view of this agreement and of the attitude of the President towards this entire question, I believe that the power of seizure of patents should not be exercised in any wholesale fashion, but only in connection with established American businesses and then only for the most cogent reasons. This does not express my personal inclination. If you were entirely free in the matter, I should advocate seizing all German patents, irrespective of their nature since, as I have frequently told you, I see no reason why patents should be the subject of any different policy from that applied to other property. I am also firmly convinced that the procedure established by Section 10 is vicious in that it subjects the American manufacturer who obtains a license to a burden in favor of his German competitor. As Section 10 is administered by the Federal Trade Commission, the American manufacturer who invests his money in building up an industry is at least ten per cent worse off than his direct German competitor.

In view of the circumstances in which we are now placed, I recommend:

1. Pursuing our present policy of selling with the corporations sold by the Alien Property Custodian

such patents as are related to its business by reason of license or their ownership by the parent German company or its inventors.

2. The seizure by the Alien Property Custodian of such patents as he is advised by competent persons are necessary to the continuation or development of an existing American industry, irrespective of whether the Alien Property Custodian controls companies operating in these industries. I see no reason why power of seizure should be exercised in respect of patents relating to industries which have not been established in the United States unless there appears to be a definitely recognized need for the establishment of the industry.

3. The seizure for Governmental purposes of all alien enemy owned United States patents which relate to the several Governmental agencies; for instance, patents relating to ordnance, munitions, airplanes, radio-telegraphy, etc.

4. Aside from the classes above mentioned, I do not think that any patents should be seized.

My conferences with the representatives of certain of the chemical companies indicate a very definite and positive feeling that a very large number of German owned American patents is necessary to the development of and the continuance of the business of the American dye and chemical industries, and that it was clearly preferable to obtain a right to operate under such patents (whether by purchase or by license) through the Alien Property Custodian rather than through the Federal Trade Commission. The reasons stated were briefly, the uncertainty of the term or royalties payable under a license from the Federal Trade Commission, the objection to divulging to an alien enemy competitor the secrets of the business through an examination of the books, and the creating through the payment of royalties of a differential of

at least ten per cent between the importer and the domestic manufacturer. Other advantages, such as the certainty as to the amount of investment in the event of a purchase from the Custodian, the necessity of giving a monopoly to a purchaser where large investment in building up an industry were regarded, and other points were also discussed. A disagreement between the representatives of the various companies, however, developed in the question of whether exclusive rights should be given under the enemy owned patents seized or whether some scheme should be worked out by which the industry could be generally licensed, some of the gentlemen preferring an outright sale and others a general non-exclusive license to all manufacturers. I will take this matter up later, but at this time merely wish to point out that the industry as a whole believes that better results are to be secured through the Custodian than through the Federal Trade Commission.

This being the feeling of the industry and our endeavor being to benefit the industry as a whole—and I believe that the industry itself is best qualified to know how this should be done—I suggest that wherever possible the industry as represented by the patent counsel for the more important companies of the industry, determine just which patents should be seized. You could then not be accused of seizing patents in a wholesale fashion but would be placed in a position of aiding an industry in the manner in which it desires to be aided and I think that your position would be better than if we determined ourselves to what extent seizures were to be made.

I have been offered the very fullest cooperation by the representatives of the chemical industry who have assured me that they would undertake to make any reasonable investigation we might require at their own expense and without any guaranty that they

would ultimately become purchasers or licensees. I feel very certain that the work of examining the titles of the enemy owned patents and of making the recommendation to the Custodian as outlined above can be parceled out in such a way as to be very expeditiously done at a relatively small expense to each of the companies taking part. I also believe that we can get the cooperation of the patent departments of the larger companies in the electrical field in the same manner. Of course, the field of investigation can be greatly reduced by checking out all of the enemy owned patents which have been reported or demanded.

The sale of the patents after seizure presents several interesting possibilities. The Custodian having taken absolute title to the patents can exercise any rights over them he wishes and can therefore sell them outright or parcel them out in various ways. It may be that in some cases the patent rights could be distributed throughout the trade and in others sold outright to one purchaser. I am inclined to advocate their outright sale. As you know, I have no sympathy for a denatured patent monopoly, but should it be deemed advisable to spread the monopoly over the industry, it can be done in a number of ways: for instance, forming a Government corporation to take title to the patents, selling the patents to a syndicate of manufacturers, selling the patents subject to a covenant to issue sub-licenses, selling undivided interests in the patents to several manufacturers, and otherwise.

It seems to me that the object to be achieved is to promote so far as we can the manufacture of products under the patents and to this end I suggest the segregation of the patents after seizure into groups of allied patents and selling the group outright so that the manufacturer best fitted to put the group of patents to use could purchase them. Thus, for instance,

the duPont Company might be peculiarly well fitted to manufacture a group of toluol dyes, while the Bayer Company might be peculiarly well fitted to manufacture salicylic acid pharmaceuticals. In this way we could put the patents into the hands of those who had the equipment, experience and market best adapted to their use.

The plan of procedure which I shall follow with your approval is as follows:

1. Confining our attention for the present to the most important phases of the situation; to wit, dyes, chemicals and pharmaceuticals.

2. Take the list of enemy owned patents compiled by the Federal Trade Commission and have Mr. Gordon and my office eliminate from it such patents as have already been reported and demanded.

3. Secure the cooperation of the attorneys for the larger chemical companies along the lines indicated above and parcel out the corrected list to their attorneys for a report on title to the patents of the corrected list. If they will do as agreed, they will furnish us with abstracts of title to the patents and eliminate such patents as they know have been assigned to American owners since issuance.

4. Secure from the companies a statement that such patents are essential to the development of the industry and a recommendation that they be seized by the Custodian.

5. Demand the patents.

6. Subdivide the patents seized into groups as indicated above and sell them in accordance with the usual procedure.

After we get the chemical classes under way, we can conduct an investigation to determine what other classes should be proceeded with and secure the cooperation of the interested companies in these several fields.

I have been trying to go to Washington for the last ten days to consult you personally about this matter, but I have been confined to my house for the larger part of the time and am still unable to undertake the trip, but will do so at the very earliest opportunity. In the meantime, I have asked for Mr. Gordon's assistance and am starting him and my office in the work of compiling the necessary information. If you care to drop me a line after reading the foregoing or call me on the telephone, I would appreciate it. Believe me,

Very truly yours.

RH:P

P. S.

P. S. Since writing the foregoing, Mr. Garvan and I have had a conference with Mr. Poucher of the duPont Company who states that he believes that the Institute of dye manufacturers, an association representing practically all of the dye manufacturers in the country will make a request to the Custodian that he take and sell the German owned American patents, on the ground that proper protection is not afforded by Federal Trade Commission licenses. I will advise you definitely as to this when I hear from him again.

R. H.

PLAINTIFF'S EXHIBIT No. 487.

ABSTRACTS OF ASSIGNMENTS BY THE CHEMICAL FOUNDATION, INC.

1. *Assignee*: Amid Duron Co.
   Date of Assignment: August 1, 1919.
   Date of Recording Assignment: August 28, 1919.

Property: Patent No. 1,143,499—Manufacture of Emulsions and Substances for Use Therein, together with all profits and damages with respect thereto.

Reason for Assignment: Patent No. 1,143,499 was, prior to its seizure and on or about Dec. 30, 1915, assigned to Amid Duron Co., which assignment was recorded Feb. 7, 1916, Liber. Q-99, page 276.

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2. *Assignee*: General Briquetting Co.

Date of Assignment: Sept. 29, 1919.

Date of Recording of Assignment: Oct. 11, 1919.

Property: *Patent No.*	*Title.*
Reissue 12,643	Method of forming blocks of ores for metallurgical purposes.
933,269	Manufacture of agglomerated bodies from blast-furnace dust.
933,270	Manufacture of coherent bodies from blast-furnace dust.

Also all profits and damages with respect thereto.

Reason for Assignment: According to a prewar agreement between the Allgemeine Brikottierungs Gesellschaft, m. b. h. and the General Briquetting Co., the German company agreed to assign to the General Briquetting Co. the letters patent forming the subject matter of the agreement and also all pat-

ents and applications therefor on improvements which might thereafter belong to the German company. The General Briquetting Co. requested the German company to make the assignment of patents mentioned in the agreement, but this request was not complied with before the seizure.

Conditions of Assignment: This assignment was made subject to all conditions and reservations made in favor of the Allgemeine Brikettierungs Gesellschaft, m. b. h. in two certain agreements between the Allgemeine Brikettierungs Gesellschaft m. b. h. and the General Briquetting Co. and the Metal Briquetting Co. dated March 6, 1911, and March 8, 1911, respectively, to which conditions and reservations The Chemical Foundation, Inc., has succeeded.

* * * * * * * * *

3. *Assignee*: Benno Borzykowski.

Date of Assignment: September 30, 1919.

Property:	*Patent No.*	*Title*
	1041587	Process of producing dyed cellulose ester.
	1100518	Process of producing cupramonium solutions.
	1133548	Method of making imitation textile products from solutions of cellulose or plastic substances.
	1143569	Production of articles or materials from viscose.

Also all claims and demands for past infringement of these patents except claims and demands against the U. S. of America.

Reason for Assignment: Benno Borzykowski, the inventor of each of the above patents, had never been vested with "enemy" or "ally of enemy" character, because he was a Russian subject at the time of the filing of the applications, became a subject of Poland after the war, and has resided in the U. S. since Oct. 1, 1915.

* * * * * * * * *

4. *Assignee*: The Linde Air Products Company.
Date of Assignment: October 9, 1919.
Property:

Patent No.	*Title.*
1020102	Process for the production of hydrogen from gas mixtures containing hydrogen.
1027862	Apparatus for the separation of hydrogen from a gaseous mixture.
1027863	Apparatus for the separation of hydrogen.

Reason for Assignment: There was a prior conveyance of these patents to the Linde Air Products Co.

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5. *Assignee*: The Linde Air Products Company.
Date of Assignment: October 9, 1919.
Date of Recording of Assignment: October 13, 1919.

Property: *Application for Patent. Serial Nos.* — *Title.*

879,492 — Method for Separation of the Constituents of Air.

188,039 — Process of separating the constituents of air.

188,040 — Process of separating the Constituents of air.

Reason for Assignment: There was a prior conveyance of these applications for patents to Linde Air Products Co.

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6. *Assignee*: Lehn & Fink, Inc.

Date of Assignment: October 30, 1919.

Property:

Trademark Nos.	*Date.*	*Registrant.*
27,456	Dec. 10, 1895	Schulke & Mayr
53,937	June 12, 1906	" "

Together with the good will and business appurtenant thereto, as well as all profits and damages for past infringement of these trademarks. This assignment was made with the provision that any right, title or interest of The Chemical Foundation in a certain agreement between Schulke & Mayr and Lehn & Fink dated Feb. 5, 1914, shall not be affected thereby.

Reason for Assignment: These trademarks together with the good will and business appurtenant thereto were assigned to Lehn & Fink in two certain assignments re-

corded on Feb. 6, 1914, Liber X-94, page 50 and on April 16, 1914, Liber L-94, page 405.

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7. *Assignee*: Metal & Thermit Corporation.
Date of Assignment: November 18, 1919.
Property: Patent No. 1,115,262, Process for detinning, together with all claims and demands for profits and damages for past infringement thereof.
Reason for Assignment: The Metal & Thermit Corporation was shown to be the equitable owner of this patent.

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8. *Assignee*: Chinosol Company.
Date of Assignment: November 20, 1919.
Property: A certain interest in Patent No. 906,918, Process of Making Neutral Oxychinolin Salts.
Reason for Assignment: This patent was assigned to the Chinosol Company by instrument dated April 3, 1911.

* * * * * * * * *

9. *Assignee*: Permutit Company.
Date of Assignment: November 20, 1919.
Property:

Patent No.	*Title.*
1107199	Process for clarifying and sterilizing water.
1117831	Process of removing oxygen from water.
1121490	Process of producing alumino-silicates.

Property:	*Patent No.*	*Title.*
	1140262	Method of manufacturing base-exchanging substances.

9. Also all claims and demands for profits and damages for past infringement thereof.

Reason for Assignment: The rights to the above inventions were acquired by the Permutit Company by assignment duly executed and ready for delivery on July 24, 1914, but not recorded because of subsequent war circumstances.

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10. *Assignee*: Sterling Products, Inc.

Date of Asignment: Oct. 21, 1920.

Property:	*Patent No.*	*Title.*
	701523	Process of making alkyl ethers of cinchona-alkaloid carbonic acids.
	770743	Process of making dialkyl barbituric acids.
	782739	C - C -Dialkyl - barbituric acid and process of making same.
	782740	Dipropyl - barbituric acid, analogous derivatives, and process of making them.
	782741	Disubstituted barbituric acid and process of making same.
	782742	Trisubstituted barbituric acids and

Property:	*Patent No.*	*Title.*
		process of making same.
	1151536	Potentiated sera and process of making them.
	1191551	Serum mixture.
	1196065	Serum therapy.
	1205138	Phosphorus and oxygen containing organic compounds.

Together with all damages and profits for past infringement. The Chemical Foundation also releases and quit-claims unto the Sterling Products, Inc. these patents and any right, title and interest hereafter acquired by it with respect thereto.

Reason for Assignment: These patents together with all damages and profits for infringement were sold on or about December 12, 1918 to Sterling Products, Inc. by the Alien Property Custodian. Therefore this assignment was made to correct the erroneous transfer to The Chemical Foundation, Inc.

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11. *Assignee*: Bayer Company, Inc.

Date of Assignment: October 21, 1920.

Property:	*Trade-mark Nos.*	*Trade-mark.*	*Date of Registration.*
	15986	Sulfonal	Nov. 6, 1888
	16309	Tetronal-Bayer	Feb. 26, 1889
	16310	Tetronal	Feb. 26, 1889

Property:	*Trade-mark. No.*	*Trade-mark.*	*Date of Registration.*
	16311	Trional-Bayer	Feb. 26, 1889
	16392	Phenacetin-Bayer	Mar. 19, 1889
	16468	Sulfonal Bayer	Apr. 9, 1889
	23606	Antinonnin	Sept. 12, 1893
	23823	Somatose	Nov. 14, 1893
	28502	Sucrin	June 30, 1896
	29314	Sycose	Dec. 15, 1896
	29406	Iodothyrine	Jan. 5, 1897
	31386	Ferro-Somatose	Mar. 8, 1898
	31387	Lacto-Somtose	Mar. 8, 1898
	31389	Iron-Somatose	Mar. 8, 1898

Together with the business and good will appurtenant thereto, and all damages and profits from past infringement. Also the Chemical Foundation grants and quit-claims to the Bayer Co. any right, title or interest hereafter acquired with respect to these trademarks.

Reason for Assignment: These trademarks together with the business and good will appurtenant thereto were the property of the Bayer Co. who had at the dates of seizure and assignment the sole and exclusive ownership thereto.

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12. *Assignee*: Radium Therapy Corporation.

Date of Assignment: Nov. 5, 1920.

Property: *Patent No.* *Title.*
1032779 Radio-Active Material
1032951 Radio-Active Material.

Together with any claims arising from past infringement thereof.

Reason for Assignment: These patents were assigned to the Radium Therapy Corp., on May 11, 1914.

* * * * * * * * *

13. *Assignee*: American Thermos Bottle Company.

Date of Assignment: Dec. 3, 1920.

Property: *Patent No.* *Title.*
918503 Making double-walled vacuum vessels.
923136 Making double-walled vacuum vessels.

Together with any claims arising from infringement thereof.

Reason for Assignment: The American Thermos Bottle Co. was shown to be the equitable owner of these patents because of a certain agreement dated Feb. 27, 1907.

* * * * * * * * *

14. *Assignee*: Alien Property Custodian.

Date of Release: Dec. 21, 1920.

Property: *Patent No.* *Title.*
701523 Process of making alkyl ethers of cinchona-alkaloid carbonic acids.
770743 Process of making dialkylbarbituric acids.

Property:	*Patent No.*	*Title.*
	782739	C-C-Dialkyl - barbituric acid and process of making same.
	782740	Dipropyl - barbituric acid analogous derivatives, and process of making them.
	782741	Disubstituted barbituric acid and process of making same.
	782742	Trisubstituted barbituric acids and process of making them.
	935849	Apparatus for washing caoutchouc, guttapercha, and similar substances.
	936635	Apparatus for washing caoutchouc, and similar substances.
	1151536	Potentiated sera and process of making them.
	1191551	Serum mixture.
	1196065	Serum therapy.
	1205138	Phosphorus and oxygen containing organic compounds.

Trademark No.	*Registration Date.*
18,827	Jan. 13, 1891
33,865	Dec. 12, 1899
33,866	Dec. 12, 1899
36,588	June 11, 1901
47,110	Oct. 24, 1905
72,455	Jan. 26, 1909
84,922	Jan. 9, 1912

Reasons for Release: These patents and trademarks were included by mistake in the assignment dated April 10, 1919, by the Alien Property Custodian to The Chemical Foundation. Therefore in order to correct this error, The Chemical Foundation released and quitclaimed any right, title and interest to these patents and trademarks.

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15. *Assignee*: Oskar Matter.

Date of Assignment: June 13, 1921.

Property: *Patent No.*

1237076 Method of manufacturing polyvalent alcohols.

Application Ser. No.

119550 Method of manufacture of polyvalent alcohols.

Reason for Assignment: Oskar Matter had always been a citizen of Switzerland and also the owner of the above patent and application for patent.

* * * * * * * * *

16. *Assignee*: Kaffee Hag Corporation

Date of Assignment: May 16, 1921.

Property: *Patent No.*

1009610 Process of decaffeinizing coffee beans, together with certain rights and benefits appurtenant thereto.

Reason for Assignment: All rights, title and interest to this patent were assigned to the Kaffee Hag Corp. on May 11, 1914.

* * * * * * * *

17. *Assignee*: The Grasselli Chemical Company.

Date of Assignment: Nov. 23, 1921.

Property:	*Trademark No.*	*Registration Date.*	*Trademark*
	20487	Dec. 22, 1891	Benzo-Black
	20488	Dec. 22, 1891	Benzo-Black-Blue
	20489	Dec. 22, 1891	Benzo-Brown
	20490	Dec. 22, 1891	Benzo-Grey
	20491	Dec. 22, 1891	Sulfon-Azurine
	20492	Dec. 22, 1891	Azofuchsine
	20493	Dec. 22, 1891	Thiazole-Yellow
	28432	June 23, 1896	Rhodulin
	29323	Dec. 15, 1896	Katigen
	67669	Feb. 11, 1908	Metakalin

Together with all rights and benefits appurtenant thereto.

Reason for Assignment: These trademarks together with the business and good will were assigned to the Grasselli Chemical Co. on March 14, 1919, which was prior to the seizure thereof by the Alien Property Custodian.

* * * * * * * *

18. *Assignee*: The Grasselli Chemical Co.

Date of Assignment: Nov. 23, 1921.

Property:	*Trademark No.*	
	31,422	Mar. 15, 1898, as applied to colors and color "intermedi-

ates," but not otherwise, and all rights and benefits appurtenant thereto.

Reason for Assignment: This trademark as applied to colors and color "intermediates," but not otherwise was assigned to Grasselli Chemical Co. on Mar. 14, 1919, which was prior to the seizure thereof by the Alien Property Custodian.

* * * * * * * * *

19. *Assignee*: Westinghouse Lamp Company.
Date of Assignment: Mar. 2, 1922.

Property:	*Patent No.*	
	1180264	Incandescent body for electric lamps, together with all rights and benefits appurtenant thereto.

Reason for Assignment: The Westinghouse Lamp Co. was found to be the equitable owner of this patent by an assignment previous to its seizure by the Alien Property Custodian.

* * * * * * * * *

20. *Assignee*: Alien Property Custodian.
Date of Release: April 11, 1922.

Property:	*Patent No.*	*Title*
	912352	Objective.
	1108307	Spherically, Chromatically, astigmatically, and comatically corrected double objective.

Reason for Release: These patents were included by mistake and through inadvertence in an assignment to The Chemical Foundation.

* * * * * * * *

21. *Assignee*: Alien Property Custodian.

Date of Assignment: May 23, 1922.

Property:	*Patent No.*	*Title*
	1109447	Generation of hydrogen by means of iron.
	1109448	Manufacture of hydrogen.
	1152196	Process of making hydrogen.
	1152197	Process of and apparatus for making hydrogen.
	1225262	Apparatus for producing hydrogen.
	1225263	Apparatus for producing hydrogen.
	1225264	Process of producing hydrogen.

Together with certain rights and benefits appurtenant thereto. This assignment was made subject to a certain release and license to the Government of the U. S. of America.

Reason for Assignment: It appeared from evidence submitted that the Government might have a claim under certain alleged contracts pertaining to these patents and that the best interests of the Government would be served if these patents were returned to

the Custodian, as evidenced by a letter dated May 23, 1922, from The Chemical Foundation to Colonel Thomas W. Miller.

* * * * * * * * *

22. *Assignee*: Chinosol Company.

Date of Assignment: November 22, 1922.

Date of Recording Assignment:

Property: *Trade-Mark No.*
28,750 Subject to release and license to the United States.

Reason for Assignment: The Chinosol Company was the owner of this trade-mark at the time of seizure.

PLAINTIFF'S EXHIBIT No. 488.

A meeting of the Board of Directors was held at the office of the Alien Property Custodian, No. 110 West 42nd Street, New York City, on Wednesday, May 14th, 1919, at 11 A. M.

Present: Messrs. Francis P. Garvan
Douglas I. McKay
George J. Corbett

The minutes of the last meeting were read and approved.

On motion duly made, seconded and carried, Mr. Hoguet, the patent counsel of The Foundation, was instructed to take all the measures necessary to accomplish the substitution of licenses from The Chemical Foundation for licenses from the Federal Trade

Commission, in all cases in which Federal Trade Commission licenses under the patents now owned by the Foundation had been issued.

Counsel then presented a proposed form of license agreement adapted as nearly as possible to universal use in issuing licenses under patents owned by The Foundation.

On motion duly made, seconded and unanimously carried, this form of agreement (copy of which was ordered filed herewith) was adopted for use subject to the necessary modifications and it was unanimously

RESOLVED that the President, or the Vice-President in the absence of the President, be and they are hereby authorized, without further action of the Board of Directors, to execute, in the name and on behalf of The Corporation, license agreements in proper cases in said form; and the Secretary be and he hereby is authorized and directed to attach the corporate seal and attest the same by his signature, to any license agreements executed by the President or Vice-President as aforesaid.

On motion duly made, seconded and unanimously carried, the Treasurer was authorized to accept on behalf of The Corporation an assignment of letters patent No. 868,397, issued October 15, 1907, for Transforming-nozzle for obtaining kinetic energy from flowing gases and vapors, from the Alien Property Custodian, and to pay the Alien Property Custodian the consideration of fifty dollars mentioned in said assignment.

On motion duly made, seconded and unanimously carried, the Treasurer was authorized to accept on behalf of The Corporation an assignment from the Alien Property Custodian of Trademarks No. 68,059 "DURON" and No. 70,391 "C. W. H. H." and all the rights under a certain agreement between Chemische Werke Hansa, G. m. b. H. and Arabol Manufacturing Com-

pany, and to pay the Alien Property Custodian the consideration of fifty dollars mentioned in said assignment.

On motion duly made, seconded and unanimously carried, the Treasurer was authorized to accept on behalf of The Corporation, an assignment from the Alien Property Custodian of fourteen patents relating to gyroscopic devices and to pay the Alien Property Custodian the consideration of Five hundred dollars mentioned in said assignment.

The meeting thereupon adjourned.

(Sgd.) GEO. J. CORBETT,
Secretary.

PLAINTIFF'S EXHIBIT No. 488-A.

LICENSE
THE CHEMICAL FOUNDATION, INC.
to
.....

Dated 19

Product

Patents

LICENSE.

AGREEMENT made this day of 19 , between THE CHEMICAL FOUNDATION, INC., a corporation organized under the laws of the State of Delaware (hereinafter called the LICENSOR) and
a corporation organized under the laws of
(hereinafter called the LICENSEE).

WHEREAS, the LICENSOR is the owner of, or has the right to grant licenses under certain letters patent of the United States enumerated in Schedule A hereto attached (hereinafter called the LICENSED PATENTS); and

WHEREAS, the LICENSEE is desirous of obtaining a non-exclusive license under the LICENSED PATENTS upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and the faithful performance of the covenants herein contained, IT IS AGREED:

1.—The LICENSOR hereby grants to the LICENSEE upon the terms and conditions hereinafter specified, a personal, non-exclusive and (except as hereinafter provided) non-assignable license to make, use and sell throughout the United States, its territories and dependencies,

(hereinafter called the LICENSED PRODUCT) under the LICENSED PATENTS to the full end of the terms for which the LICENSED PATENTS are issued, unless sooner terminated as hereinafter provided.

2.—Where product patents are included in Schedule A the LICENSEE shall not, without the written permission of the LICENSOR, import into the United States, its territories or dependencies any product which is covered by any of said patents or sell in the United States, its territories or dependencies any such product made outside of the United States.

3.—The LICENSOR agrees to furnish, so far as is reasonably possible, upon request of the LICENSEE, such engineering data, copies of drawings, formulæ, or other information as it now has or may hereafter acquire with respect to the LICENSED PATENTS for the assist-

ance of the LICENSEE in making or using the inventions of the LICENSED PATENTS upon payment by the LICENSEE of the actual cost of furnishing such engineering data, copies of drawings, formulæ, or other information. The LICENSOR shall not disclose confidential information which it has received from the LICENSEE or others and shall be in no way responsible or liable for the accuracy, correctness or sufficiency of any such data, drawings, formulæ, or other information furnished hereunder. The LICENSOR shall upon request of the LICENSEE inform the LICENSEE of all licenses granted by it to other licensees under any of the patents of Schedule A.

4.—The LICENSOR will at its own expense bring and diligently prosecute such suits for infringement of the LICENSED PATENTS, as may be reasonably necessary and proper in the opinion of its counsel to enforce said patents and prevent unlicensed competition by manufacture, use or sale in the United States, and will at its own expense defend any suit brought against the LICENSEE by any person claiming title to the LICENSED PATENTS or any of them and hold the LICENSEE harmless in such suits to the extent of the royalties paid by the LICENSEE under this license.

5.—The LICENSOR agrees that should it hereafter establish any more favorable rate of royalty for the manufacture, use and/or sale of the LICENSED PRODUCT than that charged herein it will give the LICENSEE the benefit of such more favorable rate from and after the date it is established.

6.—For the rights and licenses hereby granted the LICENSEE will pay to the LICENSOR, in the manner hereinafter provided, a royalty of per cent.

of the net selling price received by the LICENSEE for the LICENSED PRODUCT to the end of the term of

If the LICENSED PRODUCT is used by the LICENSEE in the manufacture of other and unlicensed products, the LICENSEE shall, for such of the LICENSED PRODUCT so used, pay a royalty at the same rate computed on the average net selling price of the LICENSED PRODUCT in the trade at the time of such use, or if there be no ascertainable average net selling price in the trade at such time, then at the rate of per .

One royalty only shall be payable for the manufacture, use and/or sale of the LICENSED PRODUCT.

7.—The LICENSEE will keep full, true and accurate books of account containing such particulars as may be required by the LICENSOR from time to time, of its operations under this license, which books and the premises where such licensed business is carried on, insofar as it may be necessary to determine the nature and extent of the LICENSEE's operations under this license, shall be open to the inspection of the LICENSOR or its representatives at all reasonable times.

8.—The LICENSEE within thirty days after January first, April first, July first and October first of each year, shall furnish the LICENSOR a true and accurate report, under oath if required, giving such particulars of the business conducted by the LICENSEE during the preceding three months under this license as may from time to time be required by the LICENSOR and as are pertinent to an accounting under this license and simultaneously with the making of each such report shall pay to the LICENSOR the royalty shown to be due thereby for the period covered by such report.

9.—The LICENSEE by taking this license does not admit, except as between itself and the LICENSOR personally the patentability, novelty and utility of the inventions of the LICENSED PATENTS and the right or title of the LICENSOR thereto and the respective rights of the LICENSEE and third parties as between themselves shall remain unaffected thereby.

10.—If required by the LICENSOR, the LICENSEE shall, whenever practicable, mark the LICENSED PRODUCT, if subject to a product patent included in Schedule A and when intended for sale in the United States, its territories and dependencies with the words "Licensed by THE CHEMICAL FOUNDATION, INC., under the following United States Letters Patent" followed by a list of the date or dates of issue of said product patent or patents, and when advertising the same in the United States, its territories and dependencies shall, if required by the LICENSOR, state in such advertisement that said product is licensed by the LICENSOR.

11.—The LICENSEE shall upon request of the LICENSOR furnish to the LICENSOR whenever practicable, samples of its product made under this license and shall, if required by the LICENSOR, indicate upon the labels carried by said product or, when that is not practicable, in another appropriate way, the grade, concentration and/or color, which qualities shall be expressed in terms of a scale of standards to be established by the LICENSOR. Where the LICENSED PRODUCT is one which may affect the public health or safety the LICENSOR reserves the right to prescribe the limits of purity and strength of the product to be sold and to prescribe tests to which said product shall be subjected.

12.—The LICENSEE shall not be liable for contributory infringement of patents owned by the LICENSOR

by reason of the use of the LICENSED PRODUCT by others, nor shall the LICENSEE be deemed to have violated any of the provisions of this license by such infringing use by others. Where Schedule A includes patents which may be infringed by the use of the LICENSED PRODUCT, the LICENSEE may authorize its customers to use the said product under the LICENSED PATENTS.

13.—This license may be cancelled and terminated in the following manner:

The LICENSOR shall give written notice to the LICENSEE of the proposed cancellation and termination assigning in said notice the cause for which it is proposed to cancel and terminate. If the LICENSEE shall so require within five days after receipt of said notice, the trustees of THE CHEMICAL FOUNDATION, INC., under the deed of trust dated May 1, 1919, between said trustees and Francis P. Garvan, Douglas I. McKay and George C. Corbett shall set a date for a hearing and give the LICENSEE written notice thereof. After hearing the LICENSEE, or upon its failure to appear at the place and date set for such hearing, the trustees shall make a determination in writing, a copy of which shall be furnished to the LICENSEE and which shall be conclusive, final and binding upon the LICENSEE and shall not be reviewable by a Court. If the LICENSEE shall fail to require a hearing or if the trustees shall determine that this license should be cancelled and terminated the LICENSOR may give the LICENSEE ninety (90) days' notice of termination and cancellation and at the end of said ninety days, this license shall cease and terminate. The LICENSEE may surrender this license upon ninety (90) days' written notice to the LICENSOR. The surrender or termination of this license shall in no way affect the liability of the LICENSEE for any sums of money accruing or becoming due or payable prior to the date of surrender or termination. Upon

surrender or termination of this license by the LICENSEE royalties at the rate last paid or payable by the LICENSEE upon the LICENSED PRODUCT shall accrue and become immediately due and payable for all of the product manufactured and on hand, or in course of manufacture, or sold and payment for which has not yet been received.

14.—This license may be assigned by the LICENSEE as a part of a sale of its entire business, but the LICENSEE shall give the LICENSOR immediate notice of such sale.

15.—All written notices or permissions referred to herein shall be given by registered mail addressed to the last known address of the respective parties.

16.—This agreement shall be interpreted in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties have hereunto caused their respective corporate seals to be hereunto affixed and duly attested and these presents to be signed by their duly authorized officers, the day and year first above written.

THE CHEMICAL FOUNDATION, INC.,

By .....

Attest:

.....

Secretary.

.....

By .....

Attest:

.....

Secretary.

SCHEDULE "A"

PLAINTIFF'S EXHIBIT No. 489.

A meeting of the Board of Directors was held at the office of The Corporation, No. 81 Fulton Street, New York City, New York, on Saturday, June 28th, 1919, at 10 A. M.

Present: Messrs. DOUGLAS I. MCKAY
GEORGE J. CORBETT

The reading of the minutes of the last meeting was waived.

Mr. Ramsay Hoguet, Patent Counsel of the Corporation, thereupon presented and read a form of assignment from the Alien Property Custodian to The Chemical Foundation, Incorporated, covering two patents, one application for letters patent, three trademarks and the rights, interests and benefits formerly owned by enemies under three contracts for the consideration of four hundred fifty ($450.00) dollars.

On motion duly made, seconded and carried, said assignment was approved and the Treasurer was authorized to accept on behalf of The Foundation, delivery of the same, and thereupon to pay over to the Alien Property Custodian aforesaid patents and property for the sum of four hundred fifty ($450.00) dollars.

On motion duly made, seconded and unanimously carried, it was

RESOLVED that, that the President be and he is hereby authorized to procure further assignments of patents, applications for letters patent, trademarks, copy-rights, contract rights, and property and rights appurtenant to the foregoing from the Alien Property Custodian and others, to The Corporation, for such consideration as any two of the Directors of The Cor-

poration shall agree upon as proper, and, that thereupon, the Treasurer be authorized and empowered without further official act of the Board of Directors to accept, on behalf of The Corporation, the delivery of the property embraced within any such assignments, and pay out of the funds of The Corporation the consideration agreed upon.

On motion duly made, seconded and carried, it was

RESOLVED that, until further action of the Board of Directors, any two Directors of The Corporation, acting together, shall constitute a Licensing Committee to fix and determine, from time to time as occasion requires, the uniform license fees or royalties that shall be paid by the persons, firms or corporations licensed by The Foundation, and that the license fees or royalties so fixed shall be binding on The Corporation, subject to the provisions of the uniform license or agreements which have or may hereafter be adopted.

There being no further business, the meeting thereupon adjourned.

(Sgd.) GEO. J. CORBETT,
Secretary.

PLAINTIFF'S EXHIBIT No. 490.

A special meeting of the Board of Directors of the Chemical Foundation, Incorporated was held at 2 P. M. on July 6th, 1920, at its offices, 81 Fulton Street, New York City, N. Y.

There were present:

Mr. Douglas I. McKay, *Vice President.*
Mr. George J. Corbett, *Secretary and Treasurer.*

The counsel of the company presented papers

necessary for authorization of the corporation to do business in the State of New York.

On motion duly made and seconded it was

RESOLVED that the Vice President and Secretary or other proper officers of the corporation forthwith take all such steps as they may be advised by the counsel of the corporation to be necessary and proper to secure authorization for the corporation to do business in the State of New York, and it was further

RESOLVED that Mr. George J. Corbett, Secretary and Treasurer of the corporation, whose office is at the New York office of the corporation, No. 81 Fulton Street, New York City, be and he hereby is designated in that connection as the person upon whom process against the corporation may be served within the State of New York.

Thereupon the Secretary and Treasurer, Mr. George J. Corbett, presented to the Board for consideration, a letter of the General Chemical Company to which was attached two hundred and thirty-five (235) shares of preferred stock of the Chemical Foundation, Incorporated, and necessary transfer stamps, requesting transfer of said shares to the National Aniline and Chemical Co., Inc. On motion duly made and seconded, it was

RESOLVED that the Central Union Trust Company of New York be advised of the approval of the Board of such transfer, and instructed to cancel said certificates No. 115 one hundred (100) shares; No. 116 one hundred (100) shares and No. 118 thirty-five (35) shares, and issue new certificates in like amount in the name of the National Aniline and Chemical Company, Inc.

Thereupon the Secretary and Treasurer presented to the Board for consideration a letter of Proctor and Schwartz, Inc. requesting that the stock of the Chem-

ical Foundation, Incorporated, subscribed to by the Philadelphia Textile Machinery Company be issued in their name, as they had purchased the Philadelphia Textile Machinery Company since the subscription was made. Upon motion duly made and seconded, it was

RESOLVED that the Central Union Trust Company of New York be advised of the approval of the Board; that stock certificates covering the subscription of the Philadelphia Textile Machinery Company be issued in the name of Proctor and Schwartz, Inc.

Thereupon the Secretary and Treasurer presented to the Board for consideration a letter of the Industrial Ownership Corporation, which was formerly the Marden, Orth and Hastings Company, requesting that stock certificates covering the underwriting of Marden, Orth and Hastings Company be issued in the name of the Calco Chemical Company, inasmuch as said underwriting was made in behalf of the Calco Chemical Company. On motion duly made and seconded, it was

RESOLVED that the Central Union Trust Company of New York be advised of the approval of the Board; that stock certificate covering the underwriting of Marden, Orth and Hastings Company be issued in the name of the Calco Chemical Company.

Thereupon the Secretary and Treasurer brought to the attention of the Board the tremendous expense incurred for medical attention to Mr. J. M. Gray, statistician of the Foundation, by his many months of illness, and proposed that the Board vote to Mr. Gray a bonus of $2,500. for efficient services in the past, and, further, that his name be taken from the weekly payroll and an advance of salary be made to him in the amount of $1,500—said advance to cover period to November 16th, 1920; upon this date his name to again be included in the weekly pay roll at the

rate of $4,000. per annum. On motion duly made and seconded, it was

RESOLVED that the Treasurer be and he is hereby directed to draw a corporation check to the order of Mrs. J. M. Gray in the amount of $4,000.—same being a bonus of $2,500. for efficient services in the past, and an advance of salary of $1,500—same to cover period to November 16th, 1920.

There being no further business the meeting adjourned.

(Sgd.) GEO. J. CORBETT,
Secretary.

PLAINTIFF'S EXHIBIT No. 491.

A special meeting of the Board of Directors was held at the offices of the Corporation, No. 81 Fulton Street, New York City, on the afternoon of October 4, 1920.

The following directors were present:

Mr. Francis P. Garvan, *President*
Mr. Douglas I. McKay, *Vice-President*
Mr. George J. Corbett, *Secretary and Treasurer*

There were also present:

Mr. William F. Keohan
Mr. Joseph H. Choate, Jr.
Mr. Francis P. Garvan presided.

Mr. Francis P. Garvan expressed his regret at having been unable to attend the two prior meetings of the Board of Directors held on the dates of April 21, 1920 and July 6, 1920, but stated that he had acquainted himself with the doings of the directors present at said meetings and that their doings met with his approval.

The minutes of the said two prior meetings of

April 21, 1920 and July 6, 1920 were read, and on motion duly made, seconded, and unanimously carried, the acts and resolves of the directors present at said prior meetings of April 21, 1920 and July 6, 1920 were ratified, approved, confirmed and adopted in toto as the acts and resolves of all the directors of the Corporation.

Mr. George J. Corbett called attention to the fact that an agency agreement for use in licensing the trademarks acquired by the Corporation had been drawn up and submitted by counsel and had been informally adopted, and several of these had heretofore been issued.

On motion duly made, seconded and unanimously carried, this form of agency agreement (copy of which was ordered filed herewith) was adopted for use in licensing the use of trademarks subject to any necessary modifications as any given case might require, and on motion duly made, seconded and unanimously carried it was

Resolved that the acts of the President or Vice-President and Secretary in heretofore executing and issuing on behalf of the Corporation, agency agreements in said form, be ratified and confirmed and further

Resolved that the President, or the Vice-President in the absence of the President be and he hereby is authorized without further action of the Board of Directors to execute and issue in the name and on behalf of the Corporation, agency agreements in proper cases in said form or in such other form as the Board of Directors may hereafter adopt; and the Secretary be and he hereby is authorized and directed to attach the corporate seal and attest same by his

signature to any agency agreements executed by the President or the Vice-President as aforesaid.

The Treasurer then stated that the Alien Property Custodian had assigned certain patents to The Chemical Foundation, Incorporated in error; that the claimants to the patents so assigned in error had filed affidavits in support of their claims and assignments dated prior to the war, and in each case after thorough investigation by the officers of The Chemical Foundation, Incorporated, there was found to be no question of the equitable ownership of the claimants and The Chemical Foundation, Incorporated, had reassigned such patents to the original owners thereof. On motion duly made, seconded and carried, it was thereupon

RESOLVED that the acts of the President, Vice-President and the Secretary of the Corporation or of some or any of them, in executing in the name of and on behalf of the Corporation, the following reassignments of patents, trademarks and other like property of the Corporation or interests therein heretofore assigned to the Corporation, be and they hereby are in all respects ratified, approved and confirmed as the acts of the Corporation:

Reassignment to Amid Duron Company, a New York Corporation, under date of August 1st, 1919, Patent No. 1,143,499.

Reassignment to General Briquetting Company, a Maine Corporation, subject to agreement between the Allegemeine Brikettierungs Gesellschaft, m. b. H and General Briquetting Company, under date of September 29th, 1919, Patents Re-issue Nos. 12,643
933,269
933,270

Reassignment to Linde-Air Products Company, an Ohio Corporation, under date of October 9th, 1919, Patents No. 1,020,102.
1,027,862
1,027,863

Reassignment to Linde-Air Products Company, an Ohio Corporation, under date of October 9th, 1919, Patent No. 1,360,853.
under Serial Nos. 188,039
188,040

Reassignment to Lehn & Fink, Inc., a New York Corporation, under date of October 30th, 1919, Trademarks Nos. 27,456
53,937

Reassignment to Chinosol Company, a New York Corporation, under date of November 20th, 1919, Patent No. 906,918.

Reassignment to Permutit Company, a Delaware Corporation, under date of November 20th, 1919, Patents Nos. 1,117,831
1,221,490
1,140,262
1,107,199

Reassignment to Benno Borzykowski of Ohio, under date of September 30th, 1919, Patents Nos. 1,041,587
1,100,518
1,133,548
1,143,569

Reassignment to Metal & Thermit Corporation, a New Jersey Corporation November 18th, 1919, Patent No. 1,115,262.

Reassignment to Bernard R. Armour, under date of July , 1920, Trademarks Nos. 18,827
47,110

Reassignment to Donald D. Davis, under date of July , 1920, Patents Nos. 935,849
936,835

Reassignment to Henry Pfeiffer, Gustavus A. Pfeiffer and Garfield D. Merner, under date of July , 1920, Trademarks Nos. 72,455
84,922

Reassignment to John Detjens under date of July , 1920, Trademark No. 36,588.

Reassignment to Harry P. Friedman and Morris Friedman, under date of July , 1920, Trademarks Nos. 33,865
33,866

On motion duly made, seconded and carried, it was thereupon

RESOLVED that the President be and he hereby is authorized and empowered, until otherwise ordered, to inquire into, investigate and consider the merits of any and all claims now pending or hereafter presented against The Chemical Foundation, Incorporated, by or in behalf of persons, firms or corporations claiming, irrespective of the assignments to The Chemical Foundation, Incorporated, ownership or title to any patents, trademarks, copyrights, contract rights and property appurtenant to the foregoing, and thereupon to take such action as to him may seem proper, either to reject or to allow any claims in whole or in part, or to impose any conditions which in his judgment should be imposed; and to execute and deliver in the name and on behalf of the Corporation any contract, agreement, conveyance, assignment and any other in-

struments that may be deemed by him necessary and proper to carry out his decision or action on or concerning any such claim, all without any further act or resolution of this Board; and the Secretary be and he hereby is authorized and directed to attach the corporate seal and attest same by his signature to any instruments executed by the President as aforesaid.

The Treasurer then reported that pursuant to the authority granted in the resolution of the Board of Directors, passed June 28th, 1919 and ratified November 20th, 1919, that the President had procured further assignments from the Alien Property Custodian up to the present date of 487 patents, 23 applications for patents and 20 trademarks, the consideration for which amounted to $11,600.00; that the Treasurer had accepted delivery of the property and had paid out of the funds of the Corporation to the Alien Property Custodian the said consideration of $11,600.00; that to date there had been acquired from the Alien Property Custodian in all, 4,449 patents, 279 applications for letters patents, 876 trademarks, 492 copyrights, 50 contracts for a total consideration paid of $266,300.00.

On motion duly made, seconded and unanimously carried, this report was accepted and the acts of the President and Treasurer were ratified and approved.

The Vice-President, Mr. Douglas I. McKay, presented his resignation as Vice-President. On motion duly made, seconded and carried, it was

RESOLVED that the resignation of Mr. McKay be accepted with regret and that the thanks of the Board be expressed to him for the invaluable services which he had rendered to the Foundation during his term of office.

The President then reported that Mr. George J.

Corbett, the Secretary and Treasurer of the Corporation, had arranged to sever his other business connections and devote his entire time to the services of the Foundation.

On motion of Mr. Douglas I. McKay, duly made and seconded it was

RESOLVED (Mr. Corbett not voting) that the salary of Mr. Corbett as Secretary and Treasurer of the Corporation, be fixed at the sum of $15,000. annually, to commence from October 1, 1920.

Thereafter, Mr. Douglas I. McKay also presented his resignation as a Director of The Chemical Foundation, Incorporated, and on motion, duly made and seconded, the same was regretfully accepted, with the thanks of the Board for the great amount of time and thought expended by Mr. McKay in his capacity as Director in the service of the Corporation.

The President then stated that Mr. W. F. Keohan, who was representing The Chemical Foundation, Incorporated, in Washington, D. C. for the past year and one-half, has done very valuable work for The Chemical Foundation, Incorporated, in the past and it was requested by the President that Mr. W. F. Keohan receive a salary from The Chemical Foundation, Incorporated.

On motion, duly made, seconded and carried, it was

RESOLVED that the salary of Mr. W. F. Keohan, as representative of The Chemical Foundation, Incorporated, in Washington, D. C., be fixed at the sum of $6,000. annually, to commence September 15, 1920.

The President further stated that Mr. Larkin G. Mead, had for the past year done very valuable work in connection with the advertising and educational campaign being conducted by The Chemical Foundation, Incorporated, and it was requested by the Presi-

dent that Mr. Larkin G. Mead receive a salary from The Chemical Foundation, Incorporated. On motion, duly made, seconded and carried, it was

RESOLVED that the salary of Mr. Larkin G. Mead, as Manager of the advertising and educational campaign being conducted by The Chemical Foundation, Incorporated, be fixed at the sum of $12,000.00 annually, to commence September 1, 1920.

The meeting thereupon adjourned.

(Sgd.) GEO. J. CORBETT,
Secretary.

PLAINTIFF'S EXHIBIT No. 491-A.

AGENCY AGREEMENT.

WHEREAS,

did adopt and use as a trademark for
and caused to be registered as a trademark for the same in the United States Patent Office the following mark on the following date and under the following number, to wit:

Trademark. *Date of Registration.* *Regsitration No.*

and

WHEREAS, the Alien Property Custodian, duly appointed, qualified and acting under the provisions of the Act of Congress known as the "Trading with the Enemy Act," approved October 6, 1917, and the amendments thereto, and the executive orders and proclamations issued in pursuance thereof, did, by virtue of a requirement or demand, issued under his hand and seal of office and duly recorded in the United States Patent Office, seize and require to be

conveyed to him said trademark, together with the business and good will pertaining thereto, and certificate of registration thereof, and also all damages and profits recoverable at law or in equity from any and every person for any and every infringement of said trademark, and did sell, assign and convey the same to THE CHEMICAL FOUNDATION, INC., a corporation organized and existing under and by virtue of the laws of the State of Delaware; and

WHEREAS, said THE CHEMICAL FOUNDATION, INC., is desirous of continuing said business in the United States and of preserving the good will thereof and of maintaining the use of said trademark in said business as a designation for the aforesaid product; and

WHEREAS,
a corporation organized and existing by virtue of the laws of the State of , (hereinafter called the APPLICANT) is desirous of carrying on said business in the United States and of using said trademark in said business and has applied to said THE CHEMICAL FOUNDATION, INC., for an agency therefor, and it appearing upon investigation by said THE CHEMICAL FOUNDATION, INC., that said APPLICANT is able to carry on said business satisfactorily and properly;

NOW, THEREFORE, in consideration of the premises and the faithful performance of the covenants herein contained, IT IS AGREED:

1.—The said THE CHEMICAL FOUNDATION, INC., hereby constitutes the said APPLICANT an agency for the manufacture and sale of the aforesaid product,

under the aforesaid trademark, until surrendered or revoked as hereinafter provided.

2.—The APPLICANT will pay to THE CHEMICAL FOUNDATION, INC., as a consideration for the continuance of the agency, a commission of
per centum (%) of the net selling price received by the APPLICANT for the aforesaid product, throughout the continuance of this agreement.

3.—The APPLICANT will keep full, true and accurate books of account containing such particulars as may be required by THE CHEMICAL FOUNDATION, INC., from time to time, of its operations under this agreement, which books and the premises where the business under this agreement is carried on shall be open to the inspection of THE CHEMICAL FOUNDATION, INC., or its representatives at all reasonable times.

4.—The APPLICANT within thirty days after January first, April first, July first and October first of each year shall furnish THE CHEMICAL FOUNDATION, INC., a true and accurate report, under oath if required, giving such particulars of the business conducted by the APPLICANT during the preceding three months under this agreement as may from time to time be required by THE CHEMICAL FOUNDATION, INC., and simultaneously with the making of each such report shall pay to THE CHEMICAL FOUNDATION, INC., the commission shown to be due thereby for the period covered by such report.

5.—The APPLICANT covenants to maintain the standard for the aforesaid product sold by it under said trademark, to mark all of said product sold by it with said trademark and otherwise as required by THE CHEMICAL FOUNDATION, INC., to furnish to THE CHEM-

ICAL FOUNDATION, INC., samples of its product, to indicate upon the labels carried by said product, or in another appropriate way, the grade, concentration and/or color, which qualities shall be expressed in terms of a scale of standards to be established by THE CHEMICAL FOUNDATION, INC., to manufacture such product only within the limits of purity and strength prescribed by THE CHEMICAL FOUNDATION, INC., and to submit to the general supervisory authority of THE CHEMICAL FOUNDATION, INC., in the manufacture and sale of such product.

6.—This agreement and the agency granted hereby may be canceled and terminated in the following manner:

THE CHEMICAL FOUNDATION, INC., shall give written notice to the APPLICANT of the proposed cancelation and termination assigning in said notice the cause for which it is proposed to cancel and terminate. If the APPLICANT shall so require within five days after receipt of said notice, the trustees of THE CHEMICAL FOUNDATION, INC., under the deed of trust dated May 1, 1919, between said trustees and Francis P. Garvan, Douglas I. McKay and George J. Corbett shall set a date for a hearing and give the APPLICANT written notice thereof. After hearing the APPLICANT, or upon its failure to appear at the place and date set for such hearing, the trustees shall make a determination in writing, a copy of which shall be furnished to the APPLICANT and which shall be conclusive, final and binding upon the APPLICANT and shall not be reviewable by a Court. If the APPLICANT shall fail to require a hearing or if the trustees shall determine that its agency should be canceled and terminated THE CHEMICAL FOUNDATION, INC., may give the APPLICANT ninety (90) days' notice of termination and cancelation and at the end of said ninety days, this agreement together

with the agency aforesaid shall cease and terminate. The APPLICANT may surrender this agreement and the agency aforesaid upon ninety (90) days' notice to THE CHEMICAL FOUNDATION, INC. The surrender or termination of this agreement and said agency shall in no way affect the liability of the APPLICANT for any sums of money accruing or becoming due or payable prior to the date of surrender or termination. Upon surrender or termination of said agency by the APPLICANT commissions at the rate last paid or payable by the APPLICANT upon the aforesaid product shall accrue and become immediately due and payable for all of the product manufactured and/or on hand, or in course of manufacture, or sold and payment for which has not yet been received.

7.—All written notices or permissions referred to herein shall be given by registered mail addressed to the last known address of the respective parties.

8.—This agreement shall be interpreted in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have hereunto caused their respective corporate seals to be hereunto affixed and duly attested and these presents to be signed by their duly authorized officers, this day of , 192 .

THE CHEMICAL FOUNDATION, INC.,

By.....

Attest:

.....

Secretary.

.....

By.....

Attest:

.....

Secretary.

PLAINTIFF'S EXHIBIT No. 492.

A special meeting of the Board of Directors of the Chemical Foundation, Incorporated, was held at the office of Mr. Francis P. Garvan, 16th & P Streets, Washington, D. C., on December 18th, 1920, at 11 A. M.

Present: Messrs. Francis P. Garvan, President
George J. Corbett, Secretary & Treasurer.

The reading of the minutes of the prior meeting was waived.

The Secretary brought before the Board the fact that the annual Stockholders Meeting should, according to the by-laws be held February 1st, 1921, and notice thereof be given. On motion duly made, seconded and carried, it was

Resolved that pursuant to section one, article two of the by-laws, the annual meeting of the stockholders of the Corporation, appointed to be held on the first day of February, 1921, be held at the office of the Corporation, No. 81 Fulton Street, in the borough of Manhattan, state of New York, at 2.30 P. M.

The President then reported that pursuant to the authority granted in the resolution of the Board of Directors, passed October 4th, 1920, he had inquired into and investigated and considered the merits of certain claims presented against the Corporation by and in behalf of persons, firms or corporations claiming ownership of certain patents and applications for letters patent, irrespective of the assignments to the Corporation; that there being no question in his mind of the equitable ownership of the claimants, he had acted on these claims and had executed reassignments as follows:

Reassignment to Radium Therapy Corporation, a New York Corporation, under date of November 5th, 1920, Patents Nos. 1,032,779
1,032,951

Reassignment to Sterling Products, Inc., a West Virginia Corporation, under date of October 21st, 1920, Patents Nos.

1,151,536	770,743
1,191,531	782,739
1,196,065	782,740
1,205,138	782,741
701,523	782,742

Reassignment to Bayer Company, Inc., of New York, under date of October 21st, 1920, trademarks Nos.

15,986	28,502
16,309	29,314
16,310	29,406
16,311	31,386
16,392	31,387
16,468	31,389
23,606	23,823

Reassignment to American Thermos Bottle Company, a Maine Corporation, under date of December 3rd, 1920, Patents Nos. 918,503
923,136

On motion duly made, seconded and carried, this report was accepted and the acts of the President and Secretary in executing the above assignments, were duly ratified and confirmed.

There being no further business, the meeting thereupon adjourned.

(Sgd.) GEO. J. CORBETT,
Secretary.

PLAINTIFF'S EXHIBIT No. 493.

The Adjourned Annual Meeting of the Stockholders of The Chemical Foundation, Incorporated, was held at the office of the Corporation, No. 81 Fulton Street, New York City, on the 4th day of April, 1921, at 2.30 P. M.

Mr. Francis P. Garvan, President of the corporation, presided over the meeting, and Mr. George J. Corbett, Secretary of the corporation, acted as Secretary.

There were present, in person, stockholders representing 292 shares of common stock of the corporation, being all of the common stock issued and outstanding.

The Treasurer stated that none of the shares of stock held by the stockholders present at the meeting had been transferred on the books of the corporation within the period of twenty days preceding this date.

The minutes of previous adjournments of this meeting from February 1, 1921, the date fixed for the annual meeting by the By-laws, February 24, 1921, and March 14, 1921, were read and approved.

The following resolutions to amend the By-Laws were unanimously passed:

Resolved that Section I of Article II of the By-Laws be amended so as to read as follows:

"Section I, The annual meeting of Stockholders shall be held on the first Monday of February in each year at the office of the corporation in the city of New York, unless in any year the Directors shall have designated a different place for the holding of such meeting, and notice of such change in place shall have been given to the stockholders as required by the laws of Delaware.

At every annual meeting three Directors shall be

elected by ballot, by the majority of the outstanding stock having full voting power and present at such meeting in person or by proxy, to hold office until the next annual meeting, or until their successors shall have been duly elected and qualified, and such other business may be transacted as shall be presented."

RESOLVED that Section 3 of Article III of the By-Laws be amended so as to read as follows:

"Section 3. The annual meeting of the Board of Directors shall be held on the first Monday of February in each year at the office of the corporation in the city of New York, unless in any year the Directors shall by resolution designate a different place for the holding of such meeting. Stated meetings of the Board may be held at such times and places as shall be determined from time to time by resolution of the Board. Both annual and stated meetings may be held without notice thereof."

Mr. Frederick A. Morlock, Assistant Secretary of the corporation, and Mr. James Garretson, of counsel, were then appointed Inspectors of Election and qualified.

The meeting then proceeded to the election of three Directors to hold office until the annual meeting of the corporation in 1922, and after a ballot duly taken the Inspectors of Election reported that the following gentlemen were unanimously elected by the stockholders:

Mr. Francis P. Garvan
Mr. George J. Corbett
Mr. Thomas W. Miller

The President then addressed the meeting upon the scope and progress of the corporation's work during the past year, and its plans for the future.

The report of the auditors for the year ending December 31, 1920, was then submitted to the meet-

ing, and copies thereof were delivered to each stockholder.

There being no further business the meeting was adjourned.

(Sgd.) GEO. J. CORBETT,
Secretary.

PLAINTIFF'S EXHIBIT No. 494.

A meeting of the Board of Directors was held at the office of the Corporation, No. 81 Fulton Street, New York City, on the 21st day of June, 1921, at 3 P. M.

Present: Messrs. FRANCIS P. GARVAN, President
GEORGE J. CORBETT, Secretary & Treasurer

On motion duly made, seconded and carried, it was

RESOLVED that the Treasurer be and he hereby is authorized to open a bank account in behalf of the Corporation with the Market and Fulton office of the Irving National Bank and it was further

RESOLVED that until further ordered the said Market and Fulton Office of the Irving National Bank be and hereby is authorized to make payments from the funds of this Corporation on deposit with it, upon and according to the checks of this Corporation, signed by two officers of the Company, one of whom shall be the Treasurer.

The President then stated that Mr. Thomas W. Miller, who had been elected Director of the Corporation at the adjourned annual Stockholders Meeting held on the 4th day of April, 1921, had communicated to him that owing to the demands on his time, he found it impossible to accept the honor of being a Director of the Chemical Foundation, Incorporated, and for that reason had declined to qualify.

The President then stated that this left a vacancy on the Board of Directors which under section two of article six of the by-laws should be filled by affirmative vote of the majority of the remaining Directors. He thereupon called for nominations and no response being made, it was thereupon moved, seconded and carried that the matter of electing a successor be postponed until a later meeting.

The President then stated that various legal questions had heretofore arisen and would arise in the future concerning trademarks owned by the Chemical Foundation, Incorporated, and rights appurtenant thereto and in order to safeguard the interests of the Corporation, he had deemed it advisable to retain special counsel and had subject to the approval of the Board of Directors retained Mr. Harry D. Nims as Trademark Counsel. On motion duly made, seconded and carried, the acts of the President in retaining Mr. Nims as Trademark Counsel were ratified, confirmed and approved.

There being no further business, the meeting then adjourned.

(Sgd.) GEO. J. CORBETT,
Secretary.

PLAINTIFF'S EXHIBIT No. 495.

A meeting of the Board of Directors was held at the office of The Corporation, No. 81 Fulton Street, New York City, on the 22nd day of July, 1921.

Present: Messrs. FRANCIS P. GARVAN, President
GEORGE J. CORBETT, Secretary & Treasurer

Mr. George J. Corbett, Secretary, stated that in the course of events, The Corporation has heretofore and will hereafter become involved in litigation and

it has been necessary heretofore and will hereafter be necessary to execute papers, pleadings and documents, various and sundry, in connection with suits and actions at law and in equity, and he requested that the Board take some action to authorize the proper officer to execute such papers on behalf of The Corporation when and as required. It was thereupon regularly moved, seconded and unanimously

RESOLVED that it shall be the duty of the Secretary, and/or the Treasurer to verify and duly execute such papers, pleadings and documents as may from time to time be necessary; and further

RESOLVED that any such acts heretofore performed by the Secretary and/or Treasurer be and the same hereby are ratified and adopted as the acts of The Corporation the same as if this resolution had been operative prior to the performance of any such acts.

Mr. George J. Corbett, Treasurer, then reported that pursuant to the authority granted in the resolution of the Board of Directors, passed June 28th, 1919, and ratified November 20th, 1919, the President had procured further assignments from the Alien Property Custodian, up to the present date, of 364 patents, 2 applications for letters patent and 6 contract rights, consideration for which amounted to Five thousand five hundred fifty ($5,550.00) dollars. That the Treasurer had accepted delivery of the property aforesaid and had paid out of the funds of The Corporation to the Alien Property Custodian the said consideration of Five thousand five hundred fifty ($5,550.00) dollars. That to date there had been acquired from the Alien Property Custodian in all, 4,813 patents, 281 applications for letters patent, 876 trade marks, 492 copyrights, and 56 contract rights, for a total consideration paid of Two hundred seventy-one thousand eight hundred fifty ($271,850.00) dollars.

On motion duly made, seconded and unanimously

carried, this report was accepted and the actions of the President and Treasurer were ratified and approved.

Mr. Francis P. Garvan, President, then reported that pursuant to the authority granted in the resolution of the Board of Directors passed October 4th, 1920, he had inquired into and investigated and considered the merits of certain claims presented against The Corporation by and in behalf of persons, firms or corporations claiming ownership of certain patents and applications for letters patent, irrespective of the assignments to The Corporation, that there being no question in his mind of the equitable ownership of the claimants, he had acted on these claims and had executed reassignments as follows:

Reassignment to Kaffee Hag Corporation, June 16th, 1921, patent #1,009,610.

Reassignment to Oskar Matter, June 13th, 1921, patent, #1,237,076, application serial #119,550.

Reassignment to F. Max E. Blass, May 16th, 1921, applications serial #63,231 and #63,232.

That these reassignments executed by him and sealed and attested by the Secretary would be delivered to the claimants upon receipt of releases. On motion duly made, seconded and unanimously carried, this report was accepted and the action of the President and Secretary in executing the above assignments was duly ratified and confirmed.

Mr. George J. Corbett, Secretary, then reported that in accordance with the resolution of the Board of Directors passed June 28th, 1919, and ratified November 20th, 1919, the Licensing Committee had from time to time fixed and determined the uniform license fees or royalties on various products which had been carefully indexed.

On motion duly made, seconded and unanimously carried, this report was accepted and the actions of the Licensing Committee ratified and confirmed, and the Secretary was directed to attach to these minutes a list of the various products on which license fees had been fixed and determined.

Mr. George J. Corbett, Secretary, then reported that the Department of War of the United States Government, through the offices of the Secretary of the Navy, had been in communication with The Foundation relative to use by the Government of various inventions embraced within patents owned and controlled by The Foundation.

On motion duly made, seconded and unanimously carried, it was decided that The Chemical Foundation, Incorporated, should grant to the United States Government full license and authority to manufacture or have manufactured for its use any products under any patents or applications for letters patent owned and controlled by The Foundation and that the United States Government should be released from any claims, past, present or future, arising out of use by the United States Government of patents, applications for letters patent, trademarks or copyrights, owned or controlled by The Foundation and that the Secretary of The Foundation should cause the necessary release and license to be drawn up to effectuate the above.

There being no further business, the meeting thereupon adjourned.

(Sgd.) GEO. J. CORBETT,
Secretary.

PLAINTIFF'S EXHIBIT No. 495-A.

License Product	Patents Included in Product	Royalty Rate
Acriflavine & Proflavine	1,005,176	5%
Agar-Agar-Cascara	896,807	
	943,163	5%
Aldehyde Sulfoxylates	793,610	3% for
	885,566	first 10
	885,567	months, then 2%
Ammonia	(132 Patents)	2% (See license)
Anthrarufin & Chrysazin	788,670	½ of 1%
Antithyroidin Moebius (Trade Mark)	54,995	1%
Aromatic Amins & Catalyst	1,207,802	1½¢ per lb.
Arsphenamine	986,148	
	1,116,398	
	1,081,592	5%
	1,081,897	
Aspirin	1,058,904	3% first year then 5%
Bromipin	774,224	1%
Chrome Black	770,177	2%
Cinchophen	1,075,171	
	1,197,462	
	1,086,881	2½%
	1,045,759	
	1,181,485	
Color Lakes containing Phospho Tungstic Acid	1,232,551	
	1,232,552	5%
	1,378,882	
Color Lakes derived from Red for Lake D	878,964	2%
Color Measuring Device	998,091	10%
Conversion of Heavy Hydrocarbons into Light Hydrocarbons	1,205,578	See license
Cyanin Dye, Blue Quinolin	805,143	
	844,804	$1. per Gr

License Product	Patents Included in Product		Royalty Rate
Digitalis Extract	943,578		5%
Diplosal	922,995		5%
Epinephrine	815,653		2½%
Fibrolysin	868,204		10%
Filling Material for Columns	1,141,266		Equal to 10% of the cost of the licensed product.
Fur and Hair Dye and application of Same.	992,947		
	1,105,554		5%
Gas Retorts, and Method of Making Gas therewith	904,043	1,181,431	
	1,228,879	815,438	
	822,246	926,702	
	928,494	955,970	$4.00 per
	801,268	782,129	unit or
	819,596	899,503	10% of
	1,208,134		usage chg
	1,281,775		
Gas Washers	794,201		
	807,695		5%
	895,313		
Gyroscope	841,612	1,186,339	
	877,034	1,186,686	
	1,019,582	1,231,933	
	1,180,365	1,228,061	5%
	1,180,815	794,654	
	973,611	1,173,241	
Hexa Brom Indigo	1,061,781		3%
Hydron Blues	919,572		
	931,598		
	956,348		5%
	966,092		
	1,141,148		
Hydrogen Peroxide	1,035,756		3% first year & 5% after.
Hydron Violets	1,129,574		5%
Hydron Yellow	1,055,287		
	1,196,127		5%
Hydrosulfite Stable Dry	795,755		
	861,014		2%
Indanthrene Dark Blue O	818,992		2%
Indanthrene Olive G	922,282		5%
Iodipin	774,224		1%

License Product	Patents Included in Product	Royalty Rate
Insecticide	1,097,406	5%
Lake Red C	733,280	2%
Leukotrope	1,036,241	
	1,106,970	5%
Magnesium Alloy	965,485	1½¢ per lb.
	982,022	
Magnetic Separator	1,037,563	5%
Micrometer-Gage	1,048,073	
	1,049,860	5%
Morphin & Narcotin	1,061,139	5%
Neo-Arsphenamine	13,848	
	1,081,592	5%
Neo-Cinchophen	1,045,759	2½%
Nickel Catalyst	1,314,642	2.39¢ per lb
Nito-Ortho-Oxy-Azo Color	958,912	2%
Nitramine	763,756	4%
Optochin	1,062,203	10%
Penta Brom Indigo	1,070,541	3%
Permanent Red	955,068	5%
Pigment Scarlet G	837,128	5%
Pivotal Jaw Device	1,059,545	3%
Ponsol Blue G Paste	739,579	
	753,659	
	844,914	5%
	1,063,173	
	1,104,943	
Ponsol Dark Blue B R	787,859	
	818,992	5%
Ponsol Green B	787,859	
	796,393	5%
	818,992	
	876,679	
Ponsol Paper Blue	1,055,701	5%
Ponsol Violet R	787,859	
	818,336	5%
	906,367	
Ponsol Violet R R	818,336	
	906,367	5%
	1,003,268	
Ponsol Yellow G Paste	739,145	
	1,063,173	5%
	1,104,943	
Procaine	812,554	5%
Quinine Diethylbarbiturate	1,185,637	5%
Red Azo Dye	752,562	2% first 12 mos then 3%

License Product	Patents Included in Product		Royalty Rate
Red Blue Lake	757,109		2%
Red for Lake D	878,964		2%
Red Sulphur Dye & Thio-Indoxyl Derivative	819,348		
	850,827		3% for 15 mo then 4%
Reinforced Paper	1,169,895		
	1,197,315		1¼%
(Application)	157,659		
Rodol Dyes	992,947		
	1,105,447		
	1,183,748		5%
	1,105,554		
Salicine Black	770,177		
	807,422		2%
	778,476		
Santyl	862,858		1%
Silver Arsphenamine	1,127,603		
	1,091,881		5%
	1,081,592		
Sodium Arsphenamine	1,078,135		
	1,059,983		5%
	1,081,592		
Sulphur Yellow G G	892,455		5%
Synthetic Camphor	725,890	802,793	
	770,940	903,047	
	790,601	907,941	
	801,483	989,651	5%
	801,485	994,437	
	1,030,334		
	1,066,758		
	1,105,378		
Tanning Materials	1,191,480		
	1,216,612		
	1,278,229		
	1,336,759		
	1,237,405		
	1,232,620		
	1,254,364		3%
	1,133,108		
	1,107,107		
	1,289,280		
	1,281,494		
Therapeutic Apparatus	834,209		$5. per lamp
Tungsten Filaments	1,256,929		
	1,256,930		5%

License Product	Patents Included in Product	Royalty Rate
X Ray Accessory	1,164,987	5%
X Ray Tube	1,122,011	
	1,218,423	10%
Zeolite	1,161,200	1%
Alkyl Ethers of Cellulose	1,188,376	
	1,217,027	1%
Alkyl Ethers of Cellulose (Artificial Textile Material)	1,217,028	2%
Lysoform (Trade Mark)	35,979	1%
Indanthrene Violet 2R Extra	787,859	
	906,367	5%
	1,003,268	
Intermediate Product	787,859	
	796,393	5%
	818,992	
Diacetyl-amino-azo-toluene	1,076,840	5%
Method of Producing Metallic Coatings	251,576 (Appli)	5%
Arylamids of Beta-Oxy-Naphthoic Acid. Derivatives of Same.	1,034,853	
	1,042,356	
	1,122,564	
	1,127,027	
	1,206,232	
	1,101,111	5%
	1,121,026	
	1,099,108	
	1,193,566	
	1,169,267	
Immedial Yellow G G	892,455	5%
Quartz Bodies	1,031,900	
	1,051,035	
	1,107,386	
	1,107,387	2%
	1,051,036	
	1,068,716	
	989,671	
Sulfur Dyes	818,980	2½%
Indanthrene Paper Blues	1,150,863	5%
Indanthrene Green B	796,393	5%
Indanthrene Red G or Bordeaux B	863,397	5%
Indanthrene Bordeaux B Extra	961,612	5%
Benzanthrene	787,859	5%

License Product	Patents Included in Product	Royalty Rate
Indanthrene Gold Orange G	856,811	5%
Dianthraquinonyl	828,778	5%
Anthraflavones	837,840	5%
Amino-Anthraquinones	1,063,173	5%
Indanthrene Brown B	876,190	5%
Indanthrene Red BX	1,011,068	5%
Olive Green Vat Dye	1,093,427	5%
Diazo Cotton Blue	1,113,468	5%
Red Wool Dyestuff	1,123,430	5%
Yellow, Red or Green Azo Dyes for Cotton and Paper.	1,126,656	5%
Claret-Red Trisazo Dye	1,150,825	5%
Pigment Color	1,150,863	5%
Blue Gray to Green Gray Vat Dyes	1,169,404	5%
Blue Tekrakisazo Dyes	1,180,985	5%
Green Cotton Dyes	1,183,831	5%
Yellow Vat Dyes	1,196,127	5%
Quinoline Yellow	1,197,632	5%
Pastes of Sulfur Dyes	1,200,055	5%
Green Vat Dyes	1,201,968	5%
Bordeaux Vat Dyes	1,202,260	5%
Black & Dyestuffs	1,206,232	5%
Olive Green Vat Dye	1,207,762	5%

PLAINTIFF'S EXHIBIT No. 496.

A meeting of the Board of Directors was held at the office of The Corporation, No. 81 Fulton Street, New York City on the 2nd day of November, 1921.

Present:

Messrs. Francis P. Garvan,
George J. Corbett.

Mr. George J. Corbett, Secretary, reported that the necessary instrument releasing the United States Government from any and all claims arising out of the use by the United States Government of patents, etc., owned by The Foundation and licensing the United

States Government to use the inventions covered by patents owned by The Foundation had, pursuant to the instructions of the Board of Directors, been drawn up and he thereupon read this release and license as prepared and, on motion duly made, seconded and unanimously carried, the President was authorized to execute this instrument in the name of and on behalf of The Corporation and the Secretary was authorized and directed to attach the corporate seal and attest the same with his signature and thereupon to deliver this instrument so executed to the Corporation's legal representative in Washington to be by the latter submitted to the Secretary of the Navy for final action on the part of the Government.

Mr. Francis P. Garvan, President, then reported that pursuant to the authority granted in the resolution of the Board of Directors passed October 4, 1920, he had inquired into and investigated and considered the merits of a certain claim presented against the Corporation by and in behalf of Dr. Zendko Metzl, claiming ownership of patent No. 1,104,326, irrespective of the assignment to The Foundation. That, there being no question in his mind of the equitable ownership of this claimant, he had executed a reassignment of this patent to Dr. Zendko Metzl. That this reassignment executed by him and sealed and attested by the Secretary would be delivered to the claimant upon receipt of release.

On motion duly made, seconded and unanimously carried this report was accepted and the action of the President and Secretary in executing the above assignment was duly ratified and confirmed.

There being no further business, the meeting thereupon adjourned.

(Sgd.) GEO. J. CORBETT,
Secretary.

PLAINTIFF'S EXHIBIT No. 497.

MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS OF THE CHEMICAL FOUNDATION, INCORPORATED, HELD AT THE OFFICES OF THE CORPORATION, No. 81 FULTON STREET, MANHATTAN, NEW YORK CITY, ON THE SIXTH DAY OF FEBRUARY, 1922, AT 2.30 P. M.

The following officers and trustees were present in person:

Mr. Francis P. Garvan, President.

Mr. Otto T. Barnard, Chairman of Board of Trustees.

There were also present:

Mr. Joseph H. Choate, Jr.

Mr. William W. Buffum.

Mr. Francis P. Garvan presided and called the meeting to order at 3 P. M.

Mr. Francis P. Garvan called attention to the absence of Mr. George J. Corbett, Secretary & Treasurer of The Corporation, due to illness, and appointed Mr. William W. Buffum, Secretary pro tem. This appointment was unanimously ratified.

The Secretary pro tem reported that more than ten days previous to the date of the meeting, the Secretary of The Corporation had caused to be prepared a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and that such list had been kept open throughout the entire period thereafter at the office of The Corporation where the meeting was to be held, pursuant to the provisions of the Corporation Law of the State of Delaware. The Secretary pro tem then presented the affidavit of the mailing of the notices of meeting.

The Secretary pro tem reported, after the calling of the roll, that there were present in person or by

proxy stockholders representing two hundred and ninety-two shares of common stock of The Corporation, being all of the common stock issued and outstanding.

The Secretary pro tem reported that none of the shares of stock held by the stockholders present at the meeting in person or by proxy, had been transferred on the books of The Corporation within the period of twenty days preceding and that hence all of the stock represented at the meeting was entitled and qualified to vote or be voted.

The minutes of the previous annual meeting of the stockholders held April 4th, 1921, were then read and there being no omissions or corrections were approved.

Mr. Francis P. Garvan, President, then rendered a report of the activities of The Corporation for the preceding year and spoke about the general plans for the future.

Owing to the absence of Mr. George J. Corbett, Secretary and Treasurer, no report was received from him in person, but Mr. Francis P. Garvan stated that the Secretary & Treasurer's report was incorporated in the report of the Company's auditors and he submitted same, and copies of the balance sheet were delivered to each stockholder.

On motion duly made, seconded and carried, the reports of the President and Secretary & Treasurer were accepted and the complete report of the auditors containing all the schedules supporting the balance sheet were ordered to be kept on file, and a copy of the balance sheet ordered to be filed with these minutes.

Mr. Francis P. Garvan, President, then called upon the Secretary, pro tem, for a reading of the minutes of all the meetings of the Board of Directors held since the prior Annual Meeting of the Stock-

holders and after the reading thereof it was, on motion duly made, seconded and unanimously carried,

RESOLVED that the acts of each and every officer of The Corporation and of each and every director, which have been performed in the name of and on behalf of The Corporation since the last meeting of the stockholders, April 4th, 1921, be and they hereby are ratified, approved and confirmed as proper and in order and as the acts of The Corporation.

Mr. William W. Buffum and Mr. John L. Kane were appointed inspectors of election and duly qualified as such and the meeting then proceeded to the election of three directors to hold office until the next Annual Stockholders Meeting or until their successors shall have been duly elected and qualified. After a ballot duly taken the inspectors of election reported that the following gentlemen were unanimously elected directors:

Mr. Francis P. Garvan,
Mr. George J. Corbett,
Mr. Frank L. Polk.

The President was then requested to see that the proper notification of their election be sent to the newly elected directors and stated that he would do so.

The meeting then proceeded to a general, informal discussion of the welfare of The Chemical Foundation, Incorporated, following which there being no further business, the meeting was adjourned.

(Sgd.) WM. W. BUFFUM,
Secretary Pro Tem.

PLAINTIFF'S EXHIBIT No. 498.

MINUTES OF MEETING OF THE BOARD OF DIRECTORS OF THE CHEMICAL FOUNDATION, INCORPORATED, HELD AT THE OFFICE OF FRANCIS P. GARVAN, No. 67 WALL STREET, MANHATTAN, NEW YORK CITY, ON THE 22ND DAY OF JUNE, 1922, AT 2:30 P. M.

Present: Messrs. Francis P. Garvan, *President.*
George J. Corbett, *Secretary and Treasurer.*

There was also present, by invitation, Mr. Edwin F. Haaren.

Mr. Francis P. Garvan presided.

Mr. Corbett presented a waiver and consent signed by all the Directors, waiving formal notice of the time and place of the meeting and consenting that the same be held on the 22nd day of June, 1922, at 2:30 P. M. at the office of Mr. Francis P. Garvan, No. 67 Wall Street, New York City.

The reading of the minutes of the last meeting of the Board of Directors was waived.

The President stated that he had notified the Directors elected at the annual stockholders' meeting of their election, but that Mr. Frank L. Polk had declined to qualify. The President then called attention to the fact that this left a vacancy in the Board of Directors which, under Section 2 of Article 6 of the By-Laws, should be filled by affirmative vote of a majority of the remaining Directors. The meeting then proceeded to the election of a Director and by unanimous vote of the remaining Directors Mr. Edwin F. Haaren was duly elected. He accepted the office and it was then decided, on motion duly made, seconded and unanimously carried, to proceed with the meeting, the full Board of Directors being present, and each Director thereupon affixed his signature to

the aforesaid waiver and consent and the meeting then proceeded, with the full Board of Directors present. The waiver and consent follows:

THE CHEMICAL FOUNDATION INCORPORATED

—o—

WAIVER OF NOTICE AND CONSENT OF MEETING

—o—

We, the undersigned, Directors of THE CHEMICAL FOUNDATION INCORPORATED, a corporation organized and existing under the Laws of the State of Delaware, do hereby severally waive notice of the time, place and purpose of meeting of the Board of Directors of the said corporation and consent that the same be held at the office of Mr. Francis P. Garvan, No. 67 Wall Street, New York City, on the 22nd day of June, 1922, at 2:30 P. M., and we do further consent to the transaction of all business that may properly come before the meeting.

Dated, June 22, 1922.

(Sgd.) GEO. J. CORBETT,
(Sgd.) FRANCIS P. GARVAN,
(Sgd.) GEO. J. CORBETT,
(Sgd.) FRANCIS P. GARVAN,
(Sgd. EDWIN F. HAAREN.

The Secretary, Mr. George J. Corbett, presented his resignation as Secretary. His resignation was accepted with regret. On the recommendation of the President it was ordered noted on the minutes that, at Mr. Corbett's own suggestion, payment of Mr. Corbett's salary had, since April 15, 1922, been held in abeyance owing to depression in business and the condition of the Company's finances; that Mr. Corbett had been continuously laboring for the benefit and welfare of the Foundation and has been continuously carrying on and discharging the duties of the offices

held by him, and it was hoped that, at some later day, the Foundation will be in a position to fully discharge its obligations accrued and accruing to him.

The meeting then proceeded to the election of a Secretary to succeed Mr. Corbett. Mr. George J. Corbett nominated Mr. Edwin F. Haaren and, there being no further nominations, vote was taken and the President reported that Mr. Edwin F. Haaren was unanimously elected to said office of Secretary.

It was ordered that the Secretary be sworn to the faithful discharge of his duties, and he thereupon subscribed and swore to the oath of office and entered upon the discharge of his duties. The Secretary's oath is as follows:

THE CHEMICAL FOUNDATION INCORPORATED

—o—

SECRETARY'S OATH.

STATE OF NEW YORK,
COUNTY OF NEW YORK, } *ss:*

I, EDWIN F. HAAREN, do solemnly promise and swear that I will faithfully, impartially and justly perform the duties of Secretary of THE CHEMICAL FOUNDATION INCORPORATED, a corporation of the State of Delaware, according to the best of my abilities and understanding. So help me God.

(Sgd.) EDWIN F. HAAREN.

Subscribed and sworn to
before me this 22nd day
of June, 1922.
(Sgd.) LORETTO T. CONROY,
(Seal) *Notary Public.*

Kings County Clerk's No. 430.
Register's No. 3136.
Certificate filed in New York County. Clerk's No. 461. Register's No. 3352.
Commission expires March 30, 1923.

On motion of Mr. George J. Corbett, duly made and seconded, it was

RESOLVED, (Mr. Haaren not voting) that the salary of Mr. Edwin F. Haaren as Secretary of the Corporation, be fixed at the sum of $5000.00 annually, payable in bi-monthly installments to commence immediately.

On motion duly made, seconded and carried, it was

RESOLVED, that until further action of the Board of Directors the office of Vice President be left vacant.

Mr. Corbett, Treasurer, reported that the release and license to the United States Government, authorized by the Board of Directors at meeting of July 22, 1921, had been completed and executed on behalf of the Foundation November 17, 1921 and accepted by the Government of the United States of America by Theodore Roosevelt, Acting Secretary of the Navy on December 27, 1921. On motion duly made, seconded and unanimously carried this report was accepted.

Mr. Francis P. Garvan, President, then reported that pursuant to the authority granted in a resolution of the Board of Directors passed on October 4, 1920, he had inquired into and investigated and considered the merits of certain claims presented against the Corporation by and on behalf of various claimants of ownership of certain patents and trademarks, irrespective of the assignments to the Foundation, that there being no question in his mind of the equitable ownership of the claims, he had acted on these claims and had executed the assignments as follows:

Reassignment to Westinghouse Lamp Co. Executed March 2, 1919. Reassignment delivered and release received from claimant. Patent No. 1,180,264.

Reassignment to Graselli Chemical Co. Executed November 23, 1921. Reassignments delivered and releases received from claimant. Trademarks Nos. 20,487, 20,488, 20,489, 20,490, 20,491, 20,492, 20,493, 28,432, 29,323, 67,669, 31,423.

Quit Claim Deed to Alien Property Custodian and Amendatory Agreement executed Patents Nos. 912,352 and 1,108,307.

Reassignment to Stadtgemeinder Karlsbad. Executed June 22, 1922. Reassignment to be delivered on receipt of release. Trademark No. 9,100.

That these reassignments as executed by him had been sealed and attested by the Secretary. On motion duly made, seconded and unanimously carried this report was accepted and the action of the Secretary and President in executing the above assignments and quit claim deed and amendatory agreement was duly ratified and confirmed.

Mr. Francis P. Garvan reported that one Dr. J. E. Lilienfeld has presented a claim for the return of patents Nos. 1,122,011 and 1,218,423 on the ground of Polish citizenship. That the claim had been investigated, but was not satisfactorily established although some facts appeared in favor of the claim. That under the circumstances Mr. Garvan had settled the matter by an agreement between Dr. J. E. Lilienfeld and the Foundation which had been executed by both parties and which was then read and on motion duly made, seconded and carried this report was accepted and the action of the President in so disposing of the claim was ratified and approved.

Mr. Francis P. Garvan reported that one Dr. Leon Lilienfeld had presented a claim for the return

of patents Nos. 732,189, 815,600, 834,739, 904,269, 960,100, 980,648, 1,018,329, 1,037,158, 1,074,633, 1,090,-730, 1,140,174, 1,188,376, 1,217,027, 1,217,028, 1,350,820, 1,355,985, 1,379,351, applications for letters patent, serial No. 213,440, trademarks Nos. 34,132, 35,771 and 35,772 on the ground of Polish citizenship. That the claim had been investigated, but was not satisfactorily established, although some facts appeared in favor of the claim. That under the circumstances Mr. Garvan had settled the matter by an agreement between Dr. Leon Lilienfeld and the Foundation which had been executed on behalf of the Foundation and transmitted to Dr. Leon Lilienfeld for formal execution by him and which was then read and on motion duly made, seconded and carried this report was accepted and the action of the President in so disposing of the claim was ratified and approved.

Mr. Corbett then reported that he had received from C. Bischoff & Co. certificate #113, issued for eight shares of preferred capital stock, and common stock trust certificate #116, issued for two shares, all standing in the name of said concern, with the request that the same be transferred to Carbic Color & Chemical Co., Inc. C. Bischoff & Co. advised that this is a change in name only and not the formation of a new corporation. On motion duly made, seconded and unanimously carried the Board of Directors voted its approval of this transfer and authorized the Treasurer to endorse the stock certificates accordingly and to cause these certificates to be cancelled and new certificates issued in their stead in the name of Carbic Color & Chemical Co., Inc., for an equal number of shares.

Mr. Corbett then reported that he had received from Hess Goldsmith & Co. certificate #52, issued for eight shares of preferred capital stock, and common

stock trust certificate #56 for two shares, all standing in the name of said concern, with the request that same be transferred to Hess Goldsmith & Co., Inc. Hess Goldsmith & Co., Inc. is reported to be a New York corporation, all the stock of which is American beneficially owned, with the folowing officers: President, James A. Goldsmith; Vice President, Max G. Goldsmith; Secretary and Treasurer, Harry C. Goldsmith. On motion duly made, seconded and unanimously carried the Board of Directors voted its approval of this transfer and authorized the Treasurer to endorse the stock certificates accordingly and to cause these certificates to be cancelled and new certificates issued in their stead in the name of Hess Goldsmith & Co., Inc., for an equal number of shares.

Mr. Corbett then reported that the Foundation had received a letter under date of June 16th from Ciba Company, Incorporated, a New York corporation, inquiring whether the stock of the Chemical Foundation, Incorporated, held by the Aniline Dye & Chemical, Incorporated, a concern which had been purchased by Ciba Company, Incorporated, can be transferred to the latter. Mr. Corbett stated that he had ascertained that the stock standing in the name of Aniline Dye & Chemical, Incorporated, is eight (8) shares preferred, represented by stock certificate No. 7 and two (2) shares common, represented by common stock certificate No. 7. On motion duly made, seconded and unanimously carried the Board of Directors voted its approval of this transfer upon receipt of the said stock certificates properly endorsed and authorized the Treasurer to so advise the Ciba Company, Incorporated, and to endorse the approval of the Board of Directors on said certificates when so received, and then to cause such certificates to be cancelled and new certificates issued in their stead

in the name of Ciba Company, Incorporated, for an equal number of shares.

Mr. Corbett then reported that the Foundation had received from Mr. Douglas I. McKay, holder by assignment of subscription right to one share of common stock, James E. Morgan, holder by assignment of subscription right to one share of common stock and Thomas F. Conroy, holder by assignment of subscription right to thirteen shares common stock, offers to surrender their subscription rights and release the Foundation from all obligations by reason thereof upon the Foundation in turn agreeing to consider such subscriptions cancelled and releasing all parties from all obligations by reason thereof. The following resolution was thereupon offered and on motion duly made and seconded was unanimously carried:

WHEREAS, M. M. Clancy, an original subscriber to thirteen shares of the common capital stock of the Corporation, has assigned his said subscription and all of his rights thereunder to Francis P. Garvan, by assignment dated March 3, 1919, and said Francis P. Garvan has in turn assigned said subscription and all his rights thereunder by virtue of said assignment to Thomas F. Conroy by further assignment dated June 15, 1922; and

WHEREAS P. B. Drew, an original subscriber to one share of the common capital stock of the corporation, has assigned his said subscription and all of his rights thereunder to Douglas I. McKay, by assignment dated March 3, 1919; and

WHEREAS H. E. Knox, an original subscriber to one share of the common capital stock of the corporation, has assigned his said subscription and all of his rights thereunder to George J. Corbett, by assign-

ment dated March 3, 1919, and the said George J. Corbett has in turn assigned said subscription and all of his rights thereunder by virtue of said assignment to James E. Morgan, by further assignment, dated June 15, 1922; and

WHEREAS nearly three hundred shares of the authorized common capital stock of the corporation have been subscribed, issued and fully paid for, and the corporation is desirous of following the policy of having the ownership of its stock limited, as nearly as may be practicable, to corporations, firms and individuals actually engaged in or associated with the business of the dyestuffs, textile or chemical industries, including the importation and exportation of the products of said industries, or engaged in investigation and research for their benefit and development; and

WHEREAS the said Thomas F. Conroy, Douglas I. McKay and James E. Morgan have offered to surrender up said subscriptions respectively assigned to them, and all rights accruing to them thereunder, and release and discharge the corporation from any and all obligations to them thereon arising, in consideration of the Corporation's agreement to in turn release and discharge them, and their respective assignors, from any and all obligations to it by reason of such subscriptions and said assignments thereof:

RESOLVED that the said offers of the said Thomas F. Conroy, Douglas I. McKay and James E. Morgan be and they hereby are accepted and that said subscriptions be deemed to have been cancelled and that the corporation does by this act of its Board of Directors forever release and discharge the said Thomas F. Conroy, Douglas I. McKay and James E. Morgan,

and each of them, and their respective assignors, from any and all obligations to it by reason of said several subscriptions and said assignments thereof; and further

RESOLVED that the Secretary be and he hereby is authorized and directed to communicate to each of the said Thomas F. Conroy, Douglas I. McKay and James E. Morgan the action taken by the Board of Directors on their offers and the acceptance of such offers by and on the part of the corporation and the cancellation of the aforesaid subscriptions pursuant to such acceptance.

The fact was then brought before the meeting that the Irving National Bank, Market and Fulton Streets Branch, had requested that the Foundation designate anew the persons to have access to the Foundation's safe deposit vault. On motion duly made, seconded and unanimously carried, it was

RESOLVED. That access to the safe deposit vault No. 228, rented by and standing in the name of the Chemical Foundation, Incorporated, in the Market and Fulton office of the Irving National Bank, N. Y., at No. 81 Fulton Street, New York City, and control of the contents thereof, with full power to surrender said safe shall be had, subject to the rules and conditions of said safe deposit vault, by any one of the following named, to wit,

Mr. George J. Corbett,
Mr. William W. Buffum,
Mr. John L. Kane,

this authority to continue in force until cancelled at any meeting of the Board of Directors of the Chemical Foundation, Incorporated, and the safe deposit vault notified in writing.

There being no further business the meeting thereupon adjourned.

(Sgd.) GEO. J. CORBETT,
Retiring Secretary.
(Sgd.) EDWIN F. HAAREN,
Secretary.

PLAINTIFF'S EXHIBIT No. 498-A.

June 19, 1922.

The Chemical Foundation, Inc.,
81 Fulton St.,
New York City.

Dear Sirs:

I am the assignor of Francis P. Garvan of the right to subscribe to thirteen (13) shares of your common capital stock. I understand that upwards of three hundred shares of that stock have already been paid for and issued, and that it is your policy to limit the ownership thereof so far as possible to corporations, firms and individuals actually engaged in or associated with the business of the dye-stuffs, textile or chemical industries, or in investigation or research for their benefit and development; and as I do not fall within that category, and do not care to exercise my subscription, I hereby offer to surrender the same and release you from any and all obligation to me by reason thereof, upon your in turn agreeing to consider such subscription as cancelled, and releasing me from all obligation to you by reason thereof.

Yours truly,
(Sgd.) THOS. F. CONROY.

PLAINTIFF'S EXHIBIT No. 498-B.

ASSIGNMENT OF SUBSCRIPTION

FOR VALUE RECEIVED, I, FRANCIS P. GARVAN, have sold, assigned and transferred, and by these presents do sell, assign and transfer unto THOMAS F. CONROY, my subscription to thirteen shares of the common capital stock of THE CHEMICAL FOUNDATION, INC., a corporation of the State of Delaware, and all of the rights thereunder, such subscription and rights having been acquired by me by assignment from M. M. Clancy, dated March 3rd, 1919, and I do hereby authorize and empower the Treasurer or Secretary of said corporation to register this transfer on the books of the company.

WITNESS my hand and seal this 15th day of June 1922.

(Sgd.) FRANCIS P. GARVAN (L. S.)

In presence of:

(Sgd.) LORETTO T. CONROY.

PLAINTIFF'S EXHIBIT No. 498-C.

July 31, 1921.

The Chemical Foundation, Inc.
81 Fulton St.,
New York City.

Dear Sirs:

I am the assignor of P. B. Drew of the right to subscribe to one (1) share of your common capital stock. I understand that upwards of three hundred shares of that stock have already been paid for and issued, and that it is your policy to limit the owner-

ship thereof so far as possible to corporations, firms and individuals actually engaged in or associated with the business of the dye-stuffs, textile or chemical industries, or in investigation or research for their benefit and development; and as I do not care to exercise my subscription, I hereby offer to surrender the same and release you from any and all obligation to me by reason thereof, upon your in turn agreeing to consider such subscription as cancelled, and releasing me from all obligation to you by reason thereof.

Yours truly,

JG/RES (Sgd.) DOUGLAS I. McKAY.

PLAINTIFF'S EXHIBIT No. 498-D.

June 19, 1922.

The Chemical Foundation, Inc.,
81 Fulton Street,
New York City.

Dear Sirs:

I am the assignor of George J. Corbett of the right to subscribe to one (1) share of your common capital stock. I understand that upwards of three hundred shares of that stock have already been paid for and issued, and that it is your policy to limit the ownership thereof so far as possible to corporations, firms and individuals actually engaged in or associated with the business of the dye-stuffs, textile or chemical industries, or in investigation or research for their benefit and development; and as I do not fall within that category, and do not care to exercise my subscription, I hereby offer to surrender the same and release you from any and all obligations to me by

reason thereof, upon your in turn agreeing to consider such subscription as cancelled, and releasing me from all obligation to you by reason thereof.

Yours truly,

(Sgd.) JAMES E. MORGAN.

PLAINTIFF'S EXHIBIT No. 498-E.

ASSIGNMENT OF SUBSCRIPTION

FOR VALUE RECEIVED, I, GEORGE J. CORBETT, have sold, assigned and transferred, and by these presents do sell, assign and transfer unto JAMES E. MORGAN, my subscription to one share of the common capital stock of THE CHEMICAL FOUNDATION, INC., a corporation of the State of Delaware, and all of the rights thereunder, such subscription and rights having been acquired by me by assignment from H. E. Knox, dated March 3rd, 1919, and I do hereby authorize and empower the Treasurer or Secretary of said corporation to register this transfer on the books of the company.

WITNESS my hand and seal this 15th day of June, 1922.

(Sgd.) GEO. J. CORBETT (L. S.)

In presence of:

(Sgd.) LORETTO T. CONROY.

PLAINTIFF'S EXHIBIT No. 498-F.

THE CHEMICAL FOUNDATION
INCORPORATED
81 FULTON STREET
New York City

Refer to

Cable Address:
Chemfound

June 28, 1922.

Mr. Thomas F. Conroy,
1927 New York Avenue,
Brooklyn, N. Y.

Dear Sir:

This is to advise that your offer to the Chemical Foundation, Incorporated, to surrender to the Chemical Foundation, Incorporated, the rights acquired by you by assignment to subscribe to thirteen shares of the common capital stock of the Chemical Foundation, Incorporated, and to release the Chemical Foundation, Incorporated, from all obligations to you by reason thereof, in consideration of the Chemical Foundation, Incorporated, in turn agreeing to cancel said subscription and release you and your assignor from all obligations by reason thereof, has been submitted to the Board of Directors of the Chemical Foundation, Incorporated, and accepted; and by resolution of the said Board of Directors adopted the 22nd day of June, 1922, the Secretary was authorized and directed to and hereby does communicate to you the said action of the said Board of Directors and the cancellation of such subscription pursuant to such acceptance.

Very truly yours,

CHEMICAL FOUNDATION, INCORPORATED,
By (Sgd.) EDWIN F. HAAREN,
Secretary.

PLAINTIFF'S EXHIBIT No. 498-G.

THE CHEMICAL FOUNDATION
INCORPORATED
81 FULTON STREET
New York City

Refer to

Cable Address:
Chemfound

June 28, 1922.

Mr. Douglas I. McKay,
17 East 42nd Street,
New York City.

Dear Sir:

This is to advise that your offer to the Chemical Foundation, Incorporated, to surrender to the Chemical Foundation, Incorporated, the rights acquired by you by assignment to subscribe to one share of the common capital stock of the Chemical Foundation, Incorporated, and to release the Chemical Foundation, Incorporated, from all obligations to you by reason thereof, in consideration of the Chemical Foundation, Incorporated, in turn agreeing to cancel said subscription and release you and your assignor from all obligations by reason thereof, has been submitted to the Board of Directors of the Chemical Foundation, Incorporated, and accepted; and by resolution of the said Board of Directors adopted the 22nd day of June, 1922, the Secretary was authorized and directed to and hereby does communicate to you the said action of the said Board of Directors and the cancellation of such subscription pursuant to such acceptance.

Very truly yours,
CHEMICAL FOUNDATION, INCORPORATED,
By (Sgd.) EDWIN F. HAAREN,
Secretary.

PLAINTIFF'S EXHIBIT No. 498-H.

THE CHEMICAL FOUNDATION
INCORPORATED
81 FULTON STREET
New York City

Refer to

Cable Address:
Chemfound

June 28, 1922.

Mr. James E. Morgan,
7 West 92nd Street,
New York City.

Dear Sir:

This is to advise that your offer to the Chemical Foundation, Incorporated, to surrender to the Chemical Foundation, Incorporated, the rights acquired by you by assignment to subscribe to one share of the common capital stock of the Chemical Foundation, Incorporated, and to release the Chemical Foundation, Incorporated, from all obligations to you by reason thereof, in consideration of the Chemical Foundation, Incorporated, in turn agreeing to cancel said subscription and release you and your assignor from all obligations by reason thereof, has been submitted to the Board of Directors of the Chemical Foundation, Incorporated, and accepted; and by resolution of the said Board of Directors adopted the 22nd day of June, 1922, the Secretary was authorized and directed to and hereby does communicate to you the said action of the said Board of Directors and the cancellation of such subscription pursuant to such acceptance.

Very truly yours,

CHEMICAL FOUNDATION, INCORPORATED,
By (Sgd.) EDWIN F. HAAREN,
Secretary.

PLAINTIFF'S EXHIBIT No. 499.

MINUTES OF MEETING OF THE BOARD OF DIRECTORS OF THE CHEMICAL FOUNDATION, INCORPORATED, HELD AT THE OFFICE OF FRANCIS P. GARVAN, No. 67 WALL STREET, MANHATTAN, NEW YORK CITY, ON THE 22ND DAY OF NOVEMBER, 1922, AT 2:30 P. M.

Present:

Messrs. Francis P. Garvan, President.
George J. Corbett, Treasurer.
Edwin F. Haaren, Secretary.

Mr. Corbett presented a waiver and consent signed by all the directors, waiving formal notice of time and place of the meeting and consenting that the same be held on the 22nd day of November, 1922, at 2:30 P. M. at the office of Mr. Francis P. Garvan, No. 67 Wall Street, New York City. The waiver and consent follows:

THE CHEMICAL FOUNDATION, INCORPORATED.

WAIVER OF NOTICE AND CONSENT OF MEETING.

We, the undersigned, Directors of The Chemical Foundation, Incorporated, a corporation organized and existing under the Laws of the State of Delaware, do hereby severally waive notice of the time, place and purpose of meeting of the Board of Directors of the said corporation and consent that the same be held at the office of Mr. Francis P. Garvan, No. 67 Wall Street, New York City, on the 22nd day of November, 1922, at 2:30 P. M., and we do further consent to the transaction of all business that may properly come before the meeting.

Dated, November 22, 1922.

(Sgd.) FRANCIS P. GARVAN,
" GEO. J. CORBETT,
" EDWIN F. HAAREN.

The reading of the minutes of the last meeting of the Board of Directors was waived.

Mr. Francis P. Garvan, President, reported that Chinosol Company, a New York corporation, had made claim of ownership of registered trademark "CHINOSOL," No. 28750, irrespective of the record title being in the Foundation under assignment from the Alien Property Custodian. That pursuant to the authority granted in the resolution of the Board of Directors, passed October 4, 1920, he had inquired into and investigated and considered the merits of the claim and had found the situation to be similar to that which actuated the reassignment of United States Letters Patent 906,918 in January, 1920, which reassignment was formally approved by the Board of Directors October 4, 1920. That he therefore recommended the reassignment of said trademark "CHINOSOL," No. 28750, to Chinosol Company, provided a release be obtained from said Company in conjunction with the reassignment. On motion duly made, seconded and unanimously carried said report was accepted and the President authorized and instructed to execute on behalf of the Foundation proper assignment, and the Secretary authorized and instructed to attach and attest corporate seal and to deliver such assignment so executed to Chinosol Company in exchange for release from them, all without further action of the Board of Directors.

Mr. Corbett, Treasurer, then reported that he had received from Lackawanna Steel Company certificate No. 60 issued for eight shares of preferred stock and common stock trust certificate No. 64 for two shares, all standing in the name of said concern, with a request that same be transferred to Bethlehem Iron & Steel Corporation. Bethlehem Iron & Steel Corporation is reported to be a New York corporation with offices at No. 25 Broadway, New York City, with the following

officers: President, C. A. Buck; Vice President, H. S. Snyder; Vice President, J. H. Ward; Secretary, R. E. McMath; Treasurer, W. J. Burns. On motion duly made, seconded and unanimously carried, the Board of Directors voted its approval of this transfer and authorized the Treasurer to endorse the stock certificates accordingly and to cause these certificates to be cancelled and new certificates issued in their stead in the name of Bethlehem Iron & Steel Corporation for equal numbers of shares respectively.

There being no further business, meeting thereupon adjourned.

(Sgd.) EDWIN F. HAAREN,
Secretary.

Dated: November 22, 1922.

PLAINTIFF'S EXHIBIT No. 500.

MINUTES

OF MEETING OF ADVISORY COMMITTEE OF THE CHEMICAL FOUNDATION, INCORPORATED, HELD DECEMBER 17, 1919, AT 2.30 O'CLOCK P. M.

PRESENT:

Col. D. I. McKay, Vice President, The Chemical Foundation, Inc.

James T. Pardee, The Dow Chemical Co., Midland, Mich.

P. Samuel Rigney, Roessler & Hasslacher, 100 William St., New York.

Thomas C. Dawson, Electric Boat Co., 11 Pine St., New York.

S. S. Norton, Permutit Co., 440 Fourth Ave., New York.

Dr. J. Merritt Mathews, Representing American Dyes Institute, 21 East 40th St., New York.

E. T. Connelly, Representing Manufacturing Chemists Association, 84 State St., Boston, Mass., on behalf of Mr. Howard.

There were also present:

Ramsay Hoguet, Patent Counsel of The Chemical Foundation, Inc.

S. A. Tucker, Chief Chemist of The Chemical Foundation, Inc.

Absent:

Dr. W. J. Schiefflein, Schiefflein & Co., 170 William Street, New York.

Mr. Blum, United Piece Dye Works, 132 Madison Ave., New York.

The first thing on the program was the acceptance by the Committee of the verbatim report of the Stockholders' Meeting of December 2, 1919. The report was accepted after it had been noted that The General Bakelite Company was omitted from Section 6, and instructions given that the constitution be rewritten to include amendments, and copies sent to members of the Advisory Committee.

Colonel McKay announced that the directors had not formulated any precise questions to be put before the meeting and explained that practically all the time of the staff of The Foundation was being given to the preparation of data for the Finance Committee of the Senate Hearings on the Licensing Bill. He then suggested that some part of the meeting be devoted to the members getting better acquainted. This suggestion was followed by each representative giving a short account of the activities of the concern which he represented.

Mr. Rigney, while speaking of the Roessler & Hasslacher Company, said that he was particularly

interested in getting a complete list of the patents owned by The Foundation, as there probably were a great many that they might be able to take up.

After Mr. Dawson of The Electric Boat Company mentioned the interest of his company in Duralumin, Colonel McKay discussed with the members the question of the Duralumin license whereby what was previously an exclusive license held by The Electric Boat Company has become a non-exclusive license.

Colonel McKay then announced that there were several things to be presented formally at an early meeting, notably some definite policy to build up stock ownership in The Foundation. Mr. Hoguet also spoke of this question, and Dr. Mathews proposed the desirability of getting a well informed party to personally call on people who might be interested. Dr. Tucker mentioned the plan Mr. Jeffcott started, but which was abandoned on account of the necessity of Mr. Jeffcott's presence in Washington.

Mr. Dawson felt that an argument on the stability of the ownership of the patents by The Foundation should be presented to prospective subscribers. He also said that actual copies of patents should be furnished members so that they could talk intelligently to people that they were trying to interest. Mr. Hoguet stated that Dr. Tucker and his assistants had prepared a digest of every patent, stating its nature, its process, the steps of the process, and the result gotten from it.

Colonel McKay then brought the discussion of this subject to a close by recommending that this matter should be presented to the full committee so that everybody would have an opportunity to present a plan for getting stock subscriptions. Then, it might be put in the hands of a sub-committee who would work out the details with the help of The Foundation and its staff.

The question of putting the patents owned by The Foundation to work was then brought up. It was explained that there were two classes of patents; those that have been licensed, and those that have not been licensed. Colonel McKay said that he felt that a large number of valuable patents are being overlooked, and that this was a question that was going to be presented for the consideration of the Committee.

Mr. Hoguet then explained that this, being his particular end of the business, he had some definite views on it. He said that The Foundation wanted to promote the widest possible use of the inventions of the patents to build up the industry and duplicate as far as possible similar lines that were practised abroad, and to use it as a basis for further development in this country, and incidentally to produce a revenue for The Foundation. He said there were probably manufacturers using our patents without knowledge of infringement, and that efforts should be made to secure royalties from this use. The other definite line is that manufacturers are not using patents because they are ignorant of the benefits that might be derived from their use. He thought a scheme should be developed to stimulate applications for licenses.

Answering a question by Mr. Dawson in regard to infringement, Mr. Hoguet cited the Arsphenamine case, which was very simple because it was a definite chemical compound.

Mr. Hoguet then went on to say that The Foundation was organized to be friends to the industry, and that he did not think it right to bring suit when it was shown that the infringement was innocent. Mr. Dawson said that he personally did not believe in being lenient, for we were charged with the duty of

protecting our licensees. He also said that it was an advertisement for The Foundation to prospective licensees if suit were filed immediately against those who infringe.

Colonel McKay agreed that we owed a duty to our licensees, and said that our licensees are the most fruitful source of information about infringements.

Colonel McKay asked Dr. Tucker to explain what he was doing in regard to patents. Dr. Tucker said that the list of patents, which was numerically arranged, had been brought up to date, and divided into twenty-five classes. The specifications have been briefed giving title, number, date, etc., to whom it was assigned, if there was an assignment, a description of how the patent is worked out, what it is useful for, and what its properties are. He also stated that a pamphlet on the briefs of vat dyes would be issued shortly, and that typewritten lists had been prepared of the other classifications, giving the patent number, and name of the product. Mr. Dawson suggested that, if these lists were printed with a caption that briefs would be forwarded by The Foundation on request, it would help.

According to Dr. Tucker, Mr. Connelly felt that some publication of the dye patents separate from others would be of advantage, but that owing to the large number of dye patents it was a pretty hard proposition. Mr. Connelly thought that something could be gotten out on the application of these dyes and Dr. Mathews was asked for suggestions. Dr. Mathews said it was very difficult to get a good classification of all the dye patents as it was very hard to recognize certain dyes from the patents. Colonel McKay suggested an estimate of the cost of presenting these patents in printed form.

Mr. Rigney then brought up again the subject of

being informed as to just what patents The Foundation owns, saying that there was a possibility that his company might be using patents belonging to The Foundation.

Mr. Dawson asked Mr. Hoguet what would happen to the patents after the peace treaty is signed. Mr. Hoguet replied that patents are personal property, and that personal property is being sold by the Alien Property Custodian under the Trading with the Enemy Act. Mr. Hoguet said that the title of The Foundation to the patents is just as good as the title to a share of stock that an American purchaser bought from the Alien Property Custodian, and this title was good enough to prompt the investment of about half a billion dollars in alien property, and was passed upon by attorneys for all the various purchasers.

Mr. Dawson requested the preparation of a brief statement by Mr. Hoguet outlining exactly the status of the patents in the event that the treaty was not passed in its present form. Emphasis was given to the desirability of having this statement just as brief as would permit of clear understanding of the situation.

On a question from Mr. Rigney as to what would happen if the peace treaty were not ratified and the United States forced to negotiate a new treaty, Mr. Hoguet said that he felt that there would be a treaty containing the economic clauses, particularly those with regard to industrial property, as those must necessarily be uniform in all countries, and there were no objections raised to these clauses.

There being no further business, the Committee on motion adjourned.

TAK.

PLAINTIFF'S EXHIBIT No. 501.

MINUTES OF MEETING OF ADVISORY COMMITTEE OF THE CHEMICAL FOUNDATION, INC., HELD FEBRUARY 18, 1920, AT 2.30 O'CLOCK P. M.

Present:

Col. D. I. McKay, Vice Pres., The Chemical Foundation (Chairman).
James T. Pardee, The Dow Chemical Co., Midland, Mich.
Dr. W. J. Schieffelin, Schieffelin & Co., 170 William St., New York.
Henry Wigglesworth, General Chemical Co., 25 Broad St., New York.
Thomas C. Dawson, Electric Boat Co., 11 Pine St., New York.
Henry Howard, Merrimac Chemical Co., 148 Bay St., Boston, Mass., representing Manufacturing Chemists Association.

There were also present:

George J. Corbett, Secretary and Treasurer of The Chemical Foundation.
S. A. Tucker, Chief Chemist of The Chemical Foundation.
Ramsay Hoguet, Patent Counsel of The Chemical Foundation.
H. E. Bateman, Secretary of Advisory Committee.

The meeting was called to order by the Chairman, Colonel Douglas I. McKay.

Motion that the minutes of the last meeting be accepted without being read was made, seconded, and adopted.

The Chairman asked for a report on the subject of trademarks. This question was discussed at the

last meeting at which time members expressed a desire to confer with counsel before any action was taken. There was no report from members present. As it seemed to concern the Section on Pharmaceuticals and Medicinal Chemicals more than any other, action was postponed until the arrival of Dr. Schieffelin.

The Chairman then presented the resolution prepared by Mr. Hoguet addressed to the Federal Trade Commission requesting acceptance of surrender of licenses on patents owned by The Foundation. As there is some doubt as to what stand the State Department is going to take with regard to the Treaty of Prussia and its effect on the acts of the Alien Property Custodian, a motion was made that action on the resolution to the Federal Trade Commission be deferred until next meeting. Seconded and adopted.

A resolution was then offered referring the action of the Advisory Committee in connection with the German Patent Convention to Mr. Hoguet for report at next meeting. Seconded and adopted.

In this connection, it was decided that a memorandum was to be sent Mr. Howard requesting him to supply Mr. Hoguet with a digest of opinions of the counsels of members of the Manufacturing Chemists Association.

The question of stock subscriptions was then discussed. Mr. Corbett told the Committee what had been done by his office in the way of circularizing the industry and submitted literature used to the Committee for review. It was decided that the Advisory Committee would endeavor to secure the required number of subscribers. For this purpose, each member of the Committee will be sent the following:

1. Prospectus.
2. List of Stockholders.

3. Division of list of stockholders into the six sections.
4. Division of our patents into lists which correspond to the titles of the six sections.
5. The legal opinion according to the letter recently prepared by Mr. Hoguet regarding the status of The Foundation after Peace. (Bulletin No. 3).

Dr. Schieffelin was then called on for report from his section on the question of the adoption of names for drugs and pharmaceuticals by the Foundation as recommended by the American Medical Association. Dr. Schieffelin explained that he did not have required information in his possession to make a report, and it was agreed that he was to be supplied with such information by the Secretary of the Committee.

The trademark situation was then discussed, and a motion was made, seconded, and adopted that Mr. Hoguet be requested to thoroughly investigate the trademark situation and report at the next meeting, which report will be accompanied by a list of trade marks owned by The Foundation.

The Chairman then referred to the question of the policy of The Foundation in regard to restriction of licenses and stated that, in Mr. Garvan's absence, he did not feel that the Committee was equipped to go into the matter very deeply. It was decided that discussion be postponed until next meeting.

Mr. Pardee stated that he wished to go on the record, as he would not be able to be present at the next meeting, as being in favor of non-exclusive licenses, except where there were particular reasons in special cases.

A resolution was then made, seconded, and adopted recommending that the Directors and Officers of The Foundation support House Bill 11984 provid-

ing for an amendment in the Patent Act with regard to increase of salaries of employees of the Patent Office, also to the mode of recovering damages in patent suits by permitting a court in fixing damages to take the testimony of experts as to what a reasonable measure of damages should be, and that the Section Chairmen of the Advisory Committee be advised that such legislation is pending, and that in the event of the resolution being adopted by the Directors of The Foundation, such Section Chairmen be urged to solicit through their own agencies further support for this bill, and that the President of The Foundation be requested to appear in support of the bill at any Congressional Hearings.

As there was no further business, the Committee on motion adjourned.

HEB/TAK.

PLAINTIFF'S EXHIBIT No. 502.

MINUTES OF MEETING OF ADVISORY COMMITTEE OF THE CHEMICAL FOUNDATION, INC., HELD MARCH 17, 1920, AT 2.30 O'CLOCK P. M.

Present:

Henry Howard (Chairman *pro tem*), Merrimac Chemical Co., 148 Bay St., Boston, Mass., representing Manufacturing Chemists Association.

Herbert H. Dow, The Dow Chemical Co., Midland, Mich.

Dr. W. J. Schieffelin, Schieffelin & Co., 170 William St., New York.

Henry Wigglesworth, General Chemical Co., 25 Broad St., New York.

Henry L. Blum, United Piece Dye Works, 132 Madison Ave., New York.
Thomas C. Dawson, Electric Boat Co., 11 Pine St., New York.
S. S. Norton, Permutit Co., 440 Fourth Ave., New York.
Dr. J. Merritt Matthews, Representing American Dyes Institute, 21 East 40th St., New York.

There were also present:

Joseph H. Choate, Jr., General Counsel of The Chemical Foundation.
Ramsay Hoguet, Patent Counsel of The Chemical Foundation.
S. A. Tucker, Chief Chemist of The Chemical Foundation.
H. E. Bateman, Secretary of Advisory Committee.

In the absence of Mr. Garvan and Colonel McKay, Mr. Henry Howard by vote of the Committee acted as Chairman of the meeting.

A motion was made that the reading of the minutes of the last meeting be dispensed with and that they be approved as written. Adopted.

The resolution addressed to The Federal Trade Commission requesting acceptance of surrender of licenses on patents owned by The Foundation deferred from meeting of February 18th on account of an article in the Journal of Commerce which stated that the acts of the Alien Property Custodian were reviewable under the Treaty with Prussia was then taken up. Mr. Hoguet read an opinion written by him to Mr. Wigglesworth in which he stated that there was no justification for the article in the Journal of Commerce. The Committee then voted that the resolution be amended omitting the word "large" before "royalties" and forwarded to the Federal Trade Commission.

The Foundation's attitude on the continuance of

the Patent Convention was then brought up. Only two briefs on this question from counsel of members of the Manufacturing Chemists Association were submitted to Mr. Hoguet, who expressed his view on the subject of a working clause and suggested entering into a convention which would reserve our liberty of action.

Mr. Wigglesworth then by motion proposed a resolution to call the attention of the State Department to the desirability of preserving as far as possible freedom of action in the future in respect to the Treaty of February 23, 1909. This motion was seconded and adopted

The policy of The Foundation in regard to adopting names for drugs and pharmaceuticals recommended by the American Medical Association was then discussed. Dr. Schieffelin offered a resolution that at present it was not deemed advisable for The Foundation to require licensees to use any particular trade name. This motion was seconded and adopted.

Mr. Hoguet explained the trademark situation and plan of The Foundation with regard to issuing agency agreements for the use of trademarks. A motion was made, seconded, and adopted that such measures as may appear to counsel to be desirable to perfect the title of The Foundation to its trademarks and perpetuate the business conducted thereunder, by the establishment of agencies or otherwise, be pursued.

The question of furthering the stock membership of The Foundation was then taken up. Mr. Wigglesworth thought that some sort of financial assurance in the form of a statement from The Foundation should accompany literature sent out to prospective subscribers. The Committee requested, by motion which was seconded and adopted, that at the next meeting they

be furnished a resume of the financial condition of The Foundation.

After some discussion on the subject of restriction of licenses, the Committee adopted a resolution stating that, in the opinion of the Advisory Committee, there should be no limitation to the number of licenses issued by The Foundation.

A further resolution was offered, seconded, and adopted that licenses should only be issued to such people who prove their responsibility to properly conduct the business under licenses.

There being no further business, the Committee on motion adjourned.

HEB/TAK.

PLAINTIFF'S EXHIBIT No. 503.

MINUTES OF MEETING OF ADVISORY COMMITTEE OF THE CHEMICAL FOUNDATION, INC., HELD APRIL 21, 1920, AT 2.30 O'CLOCK P. M.

Present:

Col. D. I. McKay, Vice Pres., The Chemical Foundation, Inc. (Chairman).

Dr. W. J. Schieffelin, Schieffelin & Co., 170 William St., New York.

Thomas C. Dawson, Electric Boat Co., 11 Pine St., New York.

Dr. J. Merritt Mathews, Representing American Dyes Institute, 21 East 40th St., New York.

Henry Howard, Representing Manufacturing Chemists Assn., Care Merrimac Chemical Co., 148 Bay St., Boston, Mass.

There were also present:

Joseph H. Choate, Jr., General Counsel of The Chemical Foundation, Inc.

Dr. S. A. Tucker, Chief Chemist of The Chemical Foundation, Inc.

H. E. Bateman, Secretary of Advisory Committee.

* * *

The meeting was called to order by the Chairman, Colonel Douglas I. McKay.

Motion was made that the reading of the minutes of the last meeting be dispensed with and that they be accepted without alteration and filed.

Colonel McKay announced that the License Board had received an application for a license to import Duralumin, the manufacture and sale of which is covered by patents owned by The Foundation.

After discussion, Mr. Howard moved that this application be disapproved and that no license to import be granted. Mr. Dawson offered an amendment providing that the applicant for license be permitted to import small quantities for sample purposes for a period of twelve months. This amendment was later withdrawn, and the motion as proposed by Mr. Howard seconded and adopted.

Financial statement, as requested at the last meeting was presented by the Secretary.

There being no further business, the meeting on motion adjourned.

HEB/TAK.

PLAINTIFF'S EXHIBIT No. 504.

MINUTES OF MEETING OF ADVISORY COMMITTEE OF THE CHEMICAL FOUNDATION, INC., HELD JULY 21, 1920, AT 2.30 O'CLOCK P. M.

Present:

Col. D. I. McKay, Vice Pres., The Chemical Foundation, Inc. (Chairman.)

James T. Pardee, The Dow Chemical Co., Midland, Mich.

Henry Wigglesworth, General Chemical Co., 25 Broad St., New York.

Henry Howard, Representing Manufacturing Chemists Assn., care Grasselli Chemical Co., Cleveland, Ohio.

Dr. W. J. Schiefflein, Schiefflein & Co., 170 William St., New York.

H. E. Bateman, Secretary of Advisory Committee.

* * *

The meeting was called to order by the Chairman, Colonel Douglas I. McKay.

The minutes of the last meeting were read and approved, subject to the amendment embodied in the following resolution proposed by Dr. Schiefflein: Resolved that it is the recommendation of the Advisory Committee that the Foundation adopt as its policy, with regard to the further disposition of the Preferred Stock the suggestion approved at the last meeting and referred to counsel to be put in the form of a minute and submitted at a subsequent meeting of the Committee, which provided that each underwriter deposit all excess stock in the hands of the Foundation as Treasury Stock, and as subscriptions are received, the funds therefrom be prorated among the depositors

in proportion to the amount of their holdings, and that counsel be and hereby is instructed to draft such resolution in proper legal form.

The resignation of Mr. Thomas C. Dawson as a member of the Advisory Committee, and also as a member of the Metallurgical Committee, Section 5 of the Advisory Committee, was received and accepted.

A report made by Colonel McKay of the method and policy used by the Licensing Board in granting Licenses was approved by the Committee.

There being no further business the Commitee, on motion, adjourned.

H. E. BATEMAN,
Secretary.

HEB/EP

PLAINTIFF'S EXHIBIT No. 505.

(Sent to all members of Advisory Committee).

THE
CHEMICAL FOUNDATION
INCORPORATED
81 FULTON STREET
NEW YORK CITY

August 19, 1920.

Col. Douglas I. McKay,
81 Fulton St., New York.

Dear Colonel McKay:

Although there was an absence of a quorum at the proposed regular meeting of the Advisory Committee on August 18th, several matters were informally discussed which I feel should be brought to the attention of members of the Committee.

The Progress Report, as submitted at the meeting, showed that The Foundation had acquired 616 patents since the original 4500. The best method of

bringing these patents to the attention of interested parties was discussed. It was finally proposed that a short description of these patents be published in the bi-monthly bulletin issued by The Foundation.

The question of The Foundation being supplied with a list of dyes being produced in this country, together with data as to their chemical composition, was also discussed. It was felt that this proposition should be brought up at a stockholders' meeting so that unanimous consent to such a proposal could be obtained.

Payment of royalties by the Government for the use of Foundation patents was discussed. The particular point was the use by the Government of certain patents for electrolytic gold refining. It was thought by the members present that this matter should be brought to the attention of the Government.

On account of the fact that the next monthly meeting of the Manufacturing Chemists Association has been postponed from September 15th to September 22d, it was decided to alsc postpone the meeting of the Advisory Committee one week so that these two meetings would, as usual, fall on the same date. Members are hereby advised of this change.

Copy of Progress Report submitted to the Committee is attached.

Very truly yours,

(Sgd.) H. E. BATEMAN,

HEB/TAK. *Secretary of Advisory Committee.*
Enc.

PLAINTIFF'S EXHIBIT No. 506.

MEETING OF ADVISORY COMMITTEE OF THE CHEMICAL FOUNDATION, INC., HELD SEPTEMBER 22, 1920, AT 2.30 P. M.

Present:

Col. D. I. McKay (Chairman), Vice Pres. The Chemical Foundation, Inc.

Dr. W. J. Schieffelin, Schieffelin & Co., 170 William St., N. Y. C.

S. S. Norton, Permutit Co., 440 Fourth Ave., New York.

Henry Howard, Representing Manufacturing Chemists Assn. Care Grasselli Chemical Co., Cleveland, Ohio.

James T. Pardee, The Dow Chemical Co., Midland, Mich.

Dr. J. Merritt Mathews, Representing American Dyes Institute, 21 East 40th St., New York.

There were also present:

Joseph H. Choate, Jr., General Counsel of The Chemical Foundation.

S. A. Tucker, Chief Chemist of The Chemical Foundation.

H. E. Bateman, Secretary of Advisory Committee.

The meeting was called to order by the Chairman, Colonel Douglas I. McKay.

Progress report of The Chemical Foundation was submitted to members of the Committee.

Colonel McKay asked Dr. Tucker to place the facts in regard to an application of Harold M. Bennett to import certain instruments made by Carl Zeiss, Jena, Germany, on which The Foundation owns patents and trademarks before the Committee, Dr. Tucker

stated that Mr. Bennett had formerly been the agent of Zeiss in the United States, and originally applied to import a small quantity of these instruments. Upon investigation, it was found that manufacturers of similar articles in the United States did not object to such an arrangement. Mr. Bennett was, therefore, offered an import license by The Foundation covering a period of one year at a royalty rate of 10%. He refused to accept this license because he considered the royalty rate excessive. In the meantime, Dr. Tucker came into possession of information showing that Mr. Bennett, instead of wanting to bring in a limited quantity, proposed to make large importations running into probably a million or two million dollars a year. While no definite action was taken by the Committee, it was the consensus of opinion that The Foundation should not recede from its position.

Dr. Tucker gave a brief account of his visit to the meeting of the American Chemical Society of Chicago, and also to the plants of several of our licensees in that section.

Mr. Choate referred to the resolution that was passed at the meeting of July 21st in regard to the further disposition of the preferred stock of The Foundation, requesting that counsel be instructed to draft such resolution in proper legal form. Mr. Choate stated that the resolution as passed is all that is necessary, for the minutes of the Advisory Committee, and that he was preparing a plan which would put the resolution into effect.

Mr. Choate also reported that The Foundation has reached a very satisfactory arrangement with the War Trade Board in regard to exchanging information which would tend to protect licensees of The Foundation from importation.

Colonel McKay then announced that the directors had decided to strengthen the administration of The

Foundation, realizing that it had become necessary for an executive to take charge who could devote his full time and services to this work. Mr. Corbett, Secretary and Treasurer, had made himself available in this capacity, and so it was decided by the directors that this arrangement be put into effect.

There being no further business, the Committee on motion adjourned.

HEB/TAK

PLAINTIFF'S EXHIBIT No. 507.

The first meeting of the Executive Committee of the American Dyestuff Manufacturers' Association, Inc., was held at 4 P. M. Wednesday, April 10th, 1918, at the Chemists' Club, 50 E. 41st Street, New York City, at which were present a full quorum as follows:

M. R. Poucher,
August Merz,
Robert C. Jeffcott,
Robert P. Dicks,
J. Merritt Matthews.

A motion was made by J. Merritt Matthews, seconded and passed unanimously, that a two-year lease be taken on Room 1007, 21 E. 40th St., New York City, at a yearly rental of $750 for the permanent offices of the Association.

The secretary was authorized to furnish office with necessary furniture, stationery, etc.

The secretary's salary was fixed at $3500 a year to start on this date, April 10th. For additional office help he was allowed $2000 a year. Fixed salaries not to exceed the sum of $5500 a year.

Motion made by Mr. Poucher that in order to facilitate matters, the secretary be appointed assistant

treasurer with power to sign checks and attend to all matters of finance in connection with the Association. Motion was seconded by Dr. Matthews and passed unanimously.

The secretary was instructed to issue a bulletin from time to time, setting forth the activities of the Association and other information which he may obtain of value to members of the Association.

The secretary was instructed to put the Association in touch with all branches of the Government, in order to co-operate to the fullest extent in all matters of mutual interest.

It was decided to commence the active work of the Association by creating the following committees as soon as members had signified upon which committee they desire to serve:

Secretary instructed to obtain statement of account from Counsel Benj. M. Kaye for service rendered to date.

Meeting adjourned at 6:25 P. M.

PLAINTIFF'S EXHIBIT No. 508.

A meeting of the EXECUTIVE COMMITTEE of the American Dyestuff Manufacturers' Association, Inc., was held at the office of the Association, 21 E. 40th Street, on May 22nd, 1918, at 5 P. M.

Present: M. R. Poucher, August Merz, Dr. J. Merritt Matthews, C. Cyril Bennett.

Secretary brought before the Committee the applications for membership of the following: The Dow Chemical Co., United States Color & Chemical Co., Inc., John Campbell & Co., Dicks, David Co., Inc., Essex Aniline Works, Inc., and Metals Disintegrating Co., Inc., all of which were passed upon.

Discussion ensued on the attitude of Mr. Shaw of the National Aniline & Chemical Co. towards joining the Association.

Correspondence with Fine Colors Co., Paterson, N. J., regarding their eligibility to join the Association, was read. It was decided to do nothing further in the matter.

Secretary read letter of May 21st from Alien Property Custodian.

Secretary read letter of May 20th from War Trade Board on the subject of intermediates shipped to Spain. It was decided that the Secretary get all the information he can obtain from the Board in Washington, on the matter of these intermediates, and endeavor to find out if they are used in the manufacture of dyes.

Secretary read letter from the National City Bank on the matter of inferior dyes shipped to Cuba. It was decided that Mr. Bennett take this matter up with the Federal Trade Commission on his next trip to Washington.

Mr. H. Gardner McKerrow's correspondence in the matter of expenses he incurred in the formation of the organization, was discussed, and it was decided to let the matter stand as at the last meeting.

The following members were suggested for the Tariff Committee: Dr. J. Merritt Matthews, Chairman, L. A. Ault, M. R. Poucher, August Merz, Henry Blum and R. C. Jeffcott, and Geo. A. Martin.

It was decided to pay Mr. Benj. M. Kaye $250 for services rendered in the incorporation of the Association.

Meeting adjourned at 6:15 P. M.

PLAINTIFF'S EXHIBIT No. 509.

A meeting of the Executive Committee of the American Dyestuff Manufacturers' Association was held on Tuesday, Sept. 3rd, 1918, at 4 P. M. in the office of the Association, Room 1007, 21 East 40th Street, New York City.

Present: Dr. J. M. Matthews, Mr. M. R. Poucher, A. Merz, R. P. Dicks, and C. C. Bennett.

Mr. Bennett moved that the Executive Committee hold a monthly meeting the first Tuesday of every month, at 4 P. M. Motion duly seconded and carried.

It was moved that Dr. J. Merritt Matthews represent the Association at the Convention of the American Chemical Society of Cleveland, on Sept. 10th to 12th, in Cleveland. Motion carried.

After discussion of the eligibility of the U. S. Conditioning and Testing Co., for membership in this Association, it was decided to invite Dr. Pierce to serve on the Standardization Committee. Secy. Bennett was requested to write this invitation.

Secy. Bennett brought before the Committee the letters from R. C. Jeffcott, A. Merz and R. P. Dicks giving their suggestions for members of the Trade, Standardization and Publicity Committees respectively. Mr. Poucher moved that their suggestions be accepted (with one or two substitutions), and that the Secretary write letters of invitation to the respective parties suggested. Motion carried.

Secy. Bennett brought to the attention of the Committee the matter of Dr. Reinsch's visit to this country with regard to dyestuff trade between the United States and China, and read correspondence between the Association and Mr. Snow of the Department of Commerce. Brief discussion followed.

Commonwealth Chemical Corp's membership was passed upon.

It was decided to call a meeting of the Board of Governors, and Secy. Bennett was instructed to issue this notice to the Board.

Meeting adjourned at 5:45 P. M.

PLAINTIFF'S EXHIBIT No. 510.

A meeting of the Board of Governors of the American Dyestuff Manufacturers' Association, Inc., was held at the office of the Association, 21 E. 40th Street, New York City, on Monday, Sept. 16th, 1918, at 4 P. M.

The meeting was attended by Messrs. Woodrow, Merz, Poucher, Dicks and Drs. Matthews and Iserman.

The necessary majority of the Directors not being present, and there being no quorum, an informal meeting was held.

The financial report (attached) up to date of Sept. 16, 1918, was read.

It was decided to call a meeting of the dyestuff manufacturers on Thursday, September 26th, at 4:00 P. M. at the Hotel Biltmore to discuss:

1st.—Priorities in regard to the Dyestuff Industry.

2nd.—What action should be taken by the Dyestuff Industry as a whole, under the new registration act.

3rd.—The question of following the British lead in establishing a ten-years' restriction of imports of dyes after the war.

Meeting adjourned.

PLAINTIFF'S EXHIBIT No. 511.

MINUTES OF MEETING
HELD
SEPTEMBER 26TH, 1918.

A meeting of the members of the Chemical Alliance, Inc., The American Dyes Institute, and the American Dyestuff Manufacturers Association, Inc., was held on Thursday, September 26th, 1918, at the Hotel Biltmore, New York City.

Dr. J. Merritt Matthews, Secretary of the Chemical Alliance (Dyestuff and Intermediate Section), presided, and called the meeting to order at 4:15 P. M.

Mr. H. E. Danner, Secretary of the American Dyes Institute, called the roll, and the following members were represented:

Firm	*Represented By*
The Althouse Chemical Co.	Mr. C. Scott Althouse
The American Aniline Products Co.	Mr. B. Armour
The Ault & Wiborg Co.	Mr. A. B. Davis Mr. Hilton Mr. Lichtenstein
The Butterworth-Judson Corp.	Mr. Glass
The Chemical Co. of America	Dr. Iserman Mr. Kendall
Consolidated Color & Chem. Co.	Mr. H. A. Metz Mr. Widman
Dye Products & Chem. Co.	Mr. C. K. Simon Mr. Lowenthal
Monroe Color & Chemical Co.	Mr. E. N. Monroe
Calco Chemical Co.	Mr. R. C. Jeffcott Mr. Berry

Firm	*Represented By*
	Mr. C. E. Mensing
	Dr. L. M. Crossley
	Dr. A. P. Beardsley
John Campbell & Co.	Mr. G. S. Whaley
	Mr. Jones
The Dow Chemical Co.	Mr. Pardee
E. I. duPont de Nemours & Co.	Mr. M. R. Poucher
	Mr. E. V. Patterson
	Dr. Chambers
	Mr. Protto
	Dr. C. L. Reese
Grasselli Chemical Co.	Dr. J. Merritt Matthews
	Mr. Wallach
The Heller & Merz Co.	Mr. August Merz
	Mr. Eugene Merz
Marden, Orth & Hastings Corp.	Mr. F. M. Fargo
	Mr. Litter
	Mr. Chapin
Naugatuck Chemical Co.	Mr. Wm. Valentine
	Mr. R. J. King
	Mr. J. E. Caskey
The Sherwin-Williams Co.	Mr. W. S. Woodrow
	Mr. H. J. Hain
	Mr. R. V. Brown
Transatlantic Chemical Corp.	Mr. W. L. Stevenson
Central Dyestuff & Chemical Co.	Dr. G. A. Prochazka
	Dr. G. A. Prochazka, Jr.
Essex Aniline Works	Mr. Hyde
Geo. H. Morrill Co.	Mr. Carlyle
	Mr. Carey
Organic Salt & Acid Co.	Mr. Rothberg
National Aniline & Chemical Co.	Mr. Biddison
	Mr. Watkins
United Piece Dye Works	Mr. Hy Blum
Zobel Color Works, Inc.	Adolph Zobel

DR. MATTHEWS' OPENING ADDRESS:

"This meeting has been called for the purpose of discussing the following four questions, contained in the notices sent out to the members of the Alliance, Institute and Association:

1st.—Whether the dye industry shall attempt to secure a preferred classification on the Priority List.

2nd.—What steps can be taken to protect the American Dye Industry under the new registration act.

3rd.—The appointment of a committee requested by the War Industries Board, which shall be known as the "War Service Committee," to represent the Industry as a whole.

4th.—A discussion as to the practicability of following the course adopted by the British Government in restricting imports of dyes for a period of years after the war.

With regard to the *first* question, it is very important for everybody to completely understand the matter—as to what the situation is—just what is the status of the Dye Industry as regards Priority and Preference listing—whether it comes in under General Chemical classification in the Fourth Class, or not. Probably Dr. Reese can start us off with some discussion on this subject, as he has been down to Washington and is familiar with the situation down there."

Dr. Matthews interrupted by asking if there were any newspaper reporters present, expressing the intention that the meeting be given no publicity, it being entirely confidential.

Dr. Matthews asked Dr. Reese: "Dr. Reese, can you give us your point of view on this matter of priority?"

Dr. Reese took the floor: "There seems to be some considerable confusion as to the meaning of "Priorities" and "Preference." There are two lists, covered by two entirely different circulars. One is the Priority list, issued by the Priority Division of the War Industries Board, which covers industries which get automatic priority for the materials they require for production. Circular #20, which was recently issued, covers a certain preference list. It has a list of Industries, and also a list of factories. Now in this list the industries are classified as Class 1-2-3-4, and according to this circular they have classed or listed certain factories which may not come under the Industries represented on this list of Industries; and also certain factories which might come under these Industries, but which, for certain reasons, may have a higher classification. In this connection, I might say, as Chairman of the Dye Section of the Chemical Alliance, that at the last meeting of the directors of the Chemical Alliance, this matter was brought to the attention of the directors, and nobody seemed to know anything about Circular #20. A statement was made that this list of factories and Industries would be used by the Draft State Boards for the purpose of granting deferred classification. A number of Industries represented by the directors of the Chemical Alliance were not represented in this list. The chemical industries on this list were classified under Class 2. The industries for the production of Chemicals required in the manufacture of army trucks, aeroplanes, army and navy machinery, etc.: chemicals used in warfare, were classed under Class #1.

For example: The General Chemical Company—none of their plants occur in this list of plants.

The Grasselli Chemical Company does not occur in this list.

The E. I. duPont de Nemours Company has a few

of its plants occurring in this list, but the principal plants that are producing munitions are not covered by it, so there was a great deal of confusion at this meeting; also confusion because of the fact that at a conference held by the members of the Chemical Alliance Board, the matter was brought up that none of the plants in the Fertilizer Industry were on this list. Members of the Board who represented the Fertilizer Industry and the General Chemical Company had an interview with Mr. Phillips, who is Secretary of the Priorities Division of the War Industries Board, and also had an interview with men in his office. The information given by the men in the office, and by Mr. Phillips himself, were absolutely contradictory, so that nobody seemed to know where they stood.

The Chemical Alliance Directors have a meeting in the morning, at which only the directors are present; in the afternoon, members of the Government are invited—members of the various Governmental Departments—to come in and give such information as would be of benefit.

In the afternoon session, Col. Conkling, representing General Crowder's office, attended the last meeting. He was questioned on the matter of securing deferred classification in draft. The directors had an interesting talk with him, he went very fully into the matter. The result of this conference was published in the circulars of The Chemical Alliance, and also by the Dyestuff Section, and those of you who are members of the Chemical Alliance have had a report of that interview. I was under the impression that members of the American Dyestuff Manufacturers' Association, Inc., and the American Dyes Institute, were practically the same as the Chemical Alliance. I would like to say here that those of you who are not members of The Chemical Alliance ought

to become members, because it is a body which was formed by Mr. Baruch, to aid the War Industries Board in connection with the Chemical Industries of the country.

The result of the conference was that although it was given out that this circular No. 2 would be used by the District Boards in granting deferred classification, General Crowder's office did not recognize that fact to any extent further than that the District Boards should use the list for reference purpose, and General Crowder sent a letter of explanation to the District Boards to use this list of factories for reference purposes only, and not to be guided by it in granting deferred classification in any sense.

Another point that was brought out in connection with this list of factories is the statement the Secretary of the Priority Division made—that no factory or industry could get on this list without filling out Form P. L. No. 1. Telegrams were sent out advising the members of the Chemical Alliance to fill in this form (which could be obtained from the Priorities Division of the War Industries Board) and return the form with the request that they furnish the owner of factory with certificate showing his classification. In accordance with arrangement made with the Chemical Alliance by Mr. Phillips, which certificate could be used by the Draft Boards, without referring to the list in trying to secure deferred classification.

In discussing the matter of deferred classification, the impression that I got from Col. Conkling's talk was the desire on the part of the government to get deferred classification for all necessary men. The impression that I got from other sources is that the requirements of the Army have reached beyond that of supplies; consequently, it is necessary to get up the supplies.

Another point that he made considerable of was

that the old draft or questionnaire forms used the word "essential." Now it will be seen that in the new draft form the word "essential" has been eliminated and the word "necessary" has been put in its place, the two words having entirely different meanings. No man is absolutely *essential;* he can be replaced by another man; but a man may be absolutely *necessary.*

This pamphlet No. 20 does not refer to "Priorities" for the purpose of securing preferment in obtaining materials. It relates only to the securing of coal, labor and transportation. It has nothing to do with securing equipment or materials for manufacturing. That comes under the Priorities list in Circular No. 4.

In connection with the list of Industries in Circular No. 4 there is a great deal of confusion as to what these two kinds of classification mean. It is important for everybody to get on this list of factories, but on account of the large number of plants that are not on it, and which, no doubt, should be, the priority list is incomplete, and another list is expected to be gotten out very shortly. But there is no difficulty in securing a proper place on this list for coal, labor and transportation.

With regard to filling out Form P. L. No. 1, and asking for a certificate of classification, I think it would be better for all parties to take it up directly with the Priorities Division. Mr. H. G. Phillips, Secretary, is the man who is in charge of that.

Try to learn the difference between "priorities" as referred to securing materials for equipment, etc., and "preference" as regards fuel, labor and transportation on manufactured supplies and materials. I am speaking extemporaneously, and possibly have not covered the subject as fully as may be desired. Are there any questions?"

Dr. Matthews asked: "Did you encounter any antagonism down in Washington?"

Dr. Reese: "The first question that came to my mind as regards the Dye Industry was whether the War Industries Board would consider the Dye Industry as coming under the General Classification of Chemical Industries in this Preference List of Industries. I tried to get hold of Dr. Schoellkopf in Washington but could not. When I got back to Wilmington, I telephoned Dr. Schoellkopf and instead of answering the question, he referred me to Mr. Phillips. I got very little satisfaction out of Mr. Phillips, except that it was necessary to fill out Form P. L. No. 1 to get on that list.

There is another form, P. L. No. 3, which is required by the factory that gets on the Preference List, to be filled out every month—the 15th day of each month—for the purpose of showing whether the factory is producing sufficient material for war purposes to maintain it on the list. In order to be on this list, 75% of the factory's production must be for war purposes; if the production should fall off any month, and become a lesser percentage than 75, the factory may be taken off the list. To be on the preference list, the production of the factory must be *principally* 75% of the materials in that industry, and they must issue a monthly report on it. Plants are put on the Preference List and taken off, according to their production of material for war purposes.

As I said before, I tried to get in touch with Dr. Schoellkopf, but could not.

Dr. Matthews wrote to Dr. Schoellkopf, who is Chief of the Natural and Artificial Dye Section of the War Industries Board, and is the man we should get after for assistance and help. Dr. Schoellkopf has written in response, the following letter:

"In response to the inquiry contained in your letter of September 16th, beg to advise that the Dyestuff Industry does not automatically come under Class IV of the essential industries. The Priorities Board has deemed it advisable to consider individually all applications of dyestuff manufacturers. If upon investigation the applicant can show that he is actually manufacturing Dyes, he will be placed in Class IV. In view of this I would suggest to you that all the members of your association make application to the Priorities Board for a place on the Preference List."

Some of the dye manufacturers have been placed in Class 2. Anyone who gets the circular can see that there is some reason why that particular Dye Industry was placed in Class 2. I think the opinion in the office of the War Industries Board was that there is reason for any dye manufacturer, because of the dyes he is producing mainly for war purposes, to be placed in Class 1."

Dr. Matthews asked: "Has everybody filled out the Form P. L. No. 1? It is the starting point of the whole thing, and everybody must fill out this form and file it."

Mr. Merrick explained: "Any priorities for construction materials you get on rating. Rating is different from this classification, on this list—1, 2, 3, 4. Ratings on this priority list run from A-1, 2, 3, 4, 5, up to the highest rating. It does not matter what your classification is; the priority rating is a different thing entirely. It has nothing to do with the classification. The priority rating has got to be taken out by every individual for requirement of some pieces of machinery. Classification into 1, 2, 3, etc., on this preference list, and the priority rating are entirely different, and each manufacturer is required to make his application direct to the War Industries Board for classification and rating.

One part of the organization of the War Industries Board is the Priorities Committee, for handling matters of materials and giving priority rating.

The Priorities Board gives classification for equipment. If you want to get yourself classified, fill out the form and send it to the Priorities Board, and Mr. Phillips will give the classification. If you are in need of material to work your plant with, fill out another form and make application for priority certificate to the Secretary of the Priority Committee. The priority certificate is required for the assurance of the shipper in the plant—so that he may know that the material is going into war work, and that is his assurance to ship the material first. It is the assurance of the firm to the shipper that the material he is giving you is going into something on the preference list; if you want to hurry something through the plant, and get a preferred place on his schedule, you require this priority certificate."

Dr. Matthews: "The next question is:

2nd.—What steps can be taken to protect the American Dye Industry under the new registration act."

Dr. Reese: "The industry is looking forward to losing a good many men under the new registration act, and proper steps should be taken to get deferred classification.

It is proposed, in Washington, to have industrial advisers on the Draft Board. These advisers are to be three for each Draft Board; one appointed by the Department of Agriculture; one appointed by the Department of Labor, who will be the industrial adviser, and one will be appointed by the Board itself. These industrial advisers have no vote on the Board but they have the right to bring arguments up, or bring cases up for deferred classification at any time up to the

time that the man is inducted into service. When a man is classified, the advisers can bring up new information and arguments up to the last day before he is inducted into service. With these new facts they can go to the Board and have the man's cases held over for further investigation. The advisers are also intended to help the manufacturers who have questions to ask with regard to this matter, and to help their men.

Full information on this subject, as given by Col. Conkling, is contained in Bulletin #14, issued by Dr. Matthews of the Chemical Alliance."

Dr. Matthews read bulletin No. 14 to the members.

Dr. Reese explained:

"In the case of an employee who has obtained deferred classification for his work with one manufacturer, changing his position, it is possible for that employee to obtain similar deferred classification if his work with his new employer is equally necessary."

Dr. Matthews:

"The third question is:

3rd.—The appointment of a committee requested by The War Industries Board, which shall be known as the "War Service Committee," to represent the industry as a whole."

Dr. Matthews:

"The Chemical Alliance has been working with the War Industries Board and other Governmental departments, representing industries in chemical lines, divided into different sections. There are some firms not in the Chemical Alliance, but who are in the Association or Institute. The question then comes up to unify these groups, because the War Industries Board wants to work through one representative committee. The question is whether to appoint another committee

to represent all three organizations, or whether the Chemical Alliance should represent the Industry and work with the War Industries Board. What shall it do? The matter is open for discussion and views."

Interruption:

Dr. Matthews: "If the technical men present wish to retire to another room to discuss matters outside of those under discussion here, they may do so. The room across the hall is at their disposal." (Several men withdrew from the room.)

Dr. Matthews:

"Practically all the members of the American Dyes Institute and the American Dyestuff Manufacturers' Association are members of the Chemical Alliance in one form or another.

The Chemical Alliance is purely an organization to work with the Government. It is a semi-official body to aid the various Governmental Departments in their work relating to the different sections of the Chemical Industry.

Dr. Schoellkopf of the War Industries Board is very desirous of getting a unified group together. I will read you his letter to Dr. Reese on the subject:

War Industries Board
Washington
September 4th, 1918.

B. M. Baruch,
Chairman.

From: Dr. J. F. Schoellkopf, Jr.,
War Industries Board,
Artificial & Vegetable Dye Section,
Washington, D. C.

To: Dr. C. L. Reese,
E. I. duPont de Nemours & Co.,
Wilmington, Del.

1. For sometime it has been my earnest desire to have a War Service Committee representing the Dye-

stuff Industry, which would be somewhat more representative than the Committee on Dyestuffs of the Chemical Alliance of which you are Chairman. It is my understanding that two other organizations are representing the Dyestuff Manufacturers exist; namely: The American Dyes Institute and the Dyestuff Manufacturers' Association. If it were possible to form a new committee representing the three organizations, it would seem to me to be an ideal arrangement and would place the Dyestuff Industry in the position of presenting a united front. For the purpose of discussing this matter more in detail with you, the writer will appreciate your calling upon him the next time you are in Washington.

2. For your information would say that I am here only on Tuesdays, Wednesdays and Thursdays, but could arrange to meet you either here, or elsewhere, at any other time that you may designate.

(Signed) J. F. SCHOELLKOPF, JR.,
Chief, Artificial & Vegetable Dye Section.

JFS/Jr—G.

Dr. Matthews:

"In so far as the Alliance is in touch with all the Boards at Washington, personally I would suggest that this committee, instead of forming a fourth organization, should use the machinery of the Chemical Alliance, which would put them in good working order for an active committee.

A new committee might have considerable trouble in getting into working order. This is merely a suggestion, and is not intended to influence the appointment of the committee in any way. The Chemical Alliance already has its mechanism in Washington, and it would seem to me to be a sensible thing to utilize this machinery."

Mr. Jeffcott:

"Was it Dr. Schoellkopf's idea that this new committee be subordinate to the Chemical Alliance?"

Dr. Matthews:

"No, Dr. Schoellkopf merely wants the War Industries Board to work with one committee instead of three. If a fourth committee were formed, it would seem like piling up too many organizations."

Dr. Reese:

"I suggest that even those who are not members of the Chemical Alliance be appointed to this committee.

In speaking of the Chemical Alliance, after the Counsel for National Defence had organized its Chemical Committee, when the War Industries Board was formed it abolished this Chemical Committee, but asked the same committee to form an organization which was done just about one year ago, and is known as The Chemical Alliance. This organization took up the work of the old Chemical Committee of the Counsel for National Defence, so that the Chemical Alliance was formed with these various sections, which were the same kind of sections that had comprised the old Chemical Committee of the Counsel for National Defence, formed at the request of the War Industries Board, as a body to get together and act in conjunction with the War Industries Board.

The Acid Section of the Chemical Alliance has already helped the War Industries Board in fixing prices on acids, etc.

As I have said before, when the Chemical Alliance meets to take care of its business, the meeting of the members is held in the morning, and in the afternoon, they meet with various members of the War Industries Board and discuss all subjects of interest to the Board and Alliance.

It is a well-organized body and it seems to me that it would be useless to organize or form another committee to do work which this organization was formed to do, at the request of Mr. Baruch of the War Industries Board.

Dr. Schoellkopf was advised that the members of these two organizations (American Dyes Institute and the American Dyestuff Manufacturers' Association) were largely members of the Chemical Alliance, and that practically satisfied him as far as he was concerned."

Dr. Iserman expressed his approval of the suggestion under discussion.

Dr. Reese suggested that those who were not members of the Chemical Alliance should become members without any further delay, and thereby strengthen the Government in aiding it in its work.

Dr. Matthews suggested that the present committee act as a working organization, have a meeting and then form a new committee to represent the whole Industry on any question concerning the entire Industry.

Mr. Althouse (of the Althouse Chemical Company) moved that the Dyestuff and Intermediate Section of the Chemical Alliance represent the War Service Committee of the Dyestuff Industry. Motion seconded by Mr. Poucher (of E. I. duPont de Nemours & Company) and carried.

Dr. Matthews:

"The Chemical Alliance will send out a notice of a meeting in a very short time, and representatives can meet and elect a committee which will be representative of the entire Dye and Intermediate Section."

Dr. Reese:

"It will require one month to get the rest of the members of the other associations into the Chemical

Alliance. Those concerns who are not members of the Chemical Alliance can make their application for membership so that they can be acted upon at the next meeting of the directors of the Chemical Alliance. The gentlemen who are members of the Chemical Alliance in other sections can be put into the Dye Section."

Mr. Poucher suggested that membership applications for the Chemical Alliance be made at the meeting, and Dr. Matthews asked those who wished to join the Alliance to signify their desire to do so. Three concerns joined the Chemical Alliance.

Mr. Metz moved that "pending the forming of this new committee to represent the Dye Industry as the War Service Committee, the present committee represent the Industry in Washington." Motion seconded and carried.

Dr. Matthews:

> "The last question is:
>
> 4th.—The practicability of following the course adopted by the British Government in restricting imports of dyes for a period of years after the war.

The proposed movement is no doubt intended to keep out German products after the war, if they thought so advisable. The English Government is taking a keen interest in the progress of the up-building of the Dyestuff Industry and considers it a pivotal industry for the whole country. There is a Dye Commissioner who takes care of the problems of the Dyestuff Industry. We thought it well to bring this matter up for discussion to see what a consensus of opinion will be. There have been recommendations to bring the matter before the proper authority in Washington and see how they feel about it."

Mr. H. A. Metz (Consolidated Color & Chemical Co.) called to the attention of the members, the fact

that although the British proposal was primarily intended to keep out dyes of enemy-production, it appears that the measure will keep out American dyes also, claiming that he has been endeavoring, for some length of time to obtain a permit for some dyes which he wishes to ship to England, and has been unable to secure such permit. He said that since we were building up an industry for export business as well as domestic, it is absolutely essential that some stringent measure be adopted to protect the American Dyestuff Manufacturers' interests.

Mr. Bennett (Secretary of the American Dyestuff Manufacturers' Association) said:

"From a recent talk with Mr. Taussig of the Tariff Commission, I know that he unquestionably feels that the Present Tariff Bill, as enacted, is not going to save the American Dye Industry. He communicated to me the fact that from a very influential quarter the question of total prohibition had been brought to his attention. Whatever this organization, or anybody does, I think that they will have to consult Mr. Taussig first.

Mr. Taussig has already devoted much of his time to the Dye situation, as far as the Administration goes, and I believe, out of courtesy to him, we should consult him first. If we went to the President with the matter, it would come back to Mr. Taussig, and I think the time is ripe for a move of some such arrangement. If it is going to be a question of the world against Germany, it is very possible that the American Dye Industry will have to make arrangements between the British and French manufacturers before anything else can be done; therefore, I think Washington will be ready to receive this proposal in a very keen spirit today, and adopt something along these lines to aid the industries which have sprung into existence since the war started."

Dr. Matthews:

"It is very evident that the main idea of the British proposal was to have protection against the enemy, and to build up a Dye Industry in their own country. If, after the War, their markets were flooded with German Dyes, it would seriously hamper the operation of factories in England, and the English Government wants to build up a Dye Industry of their own."

A general discussion followed as to the advisability of going into the matter thoroughly with the American Dyestuff Manufacturers, and bring it before Mr. Taussig with the view to obtaining suitable protection.

Mr. Bennett called attention to the fact that the British Government was so keenly interested in the up-building of its Dye Industry because it had money in the Industry.

Dr. Matthews suggested that the matter would also have to be gone into with the consumers, as the Government would undoubtedly consider them more important than the manufacturers. He advised getting the opinion of Mr. Taussig on this matter, and asked whether it would be more advisable to broach the matter to him or the consumers first.

Mr. Metz suggested approaching the consumers on this matter.

Dr. Matthews suggested that in taking the matter up with the consumers and advising the restriction of imports of dyes, it be brought to their attention that the American Dye Industry can take care of their requirements independently.

Dr. Reese suggested bringing the matter before the Textile Industry and other users of dyestuffs, to get an expression of opinion from them as to whether they are in favor of the suggestion.

Dr. Iserman suggested that since the British Gov-

ernment was using this method of protection for *their* Dye Industry, it was unquestionably the best course for us to pursue to up-build our own Industry.

Dr. Matthews again called attention to the fact that we could not get anywheres in the matter unless we had the cooperation of the consumer, and if we wanted their cooperation, Now was the time to approach them on the subject. "We must start the ball rolling by telling them what will happen if our Industry has not sufficient protection against the dumping of foreign-made dyes into this country after the war."

Mr. Metz suggested that it be a good thing to form a committee to consider this feature of the case.

Mr. Bennett suggested that it be ascertained what Washington has to say about this.

Dr. Matthews: "The problem is to get the Textile and other Industries together with us, and point out conditions to them and get them to work with us."

Dr. Reese: "I think the matter should be discussed with Mr. Taussig."

Mr. Bennett: "I think you will find Mr. Taussig a very willing listener on the subject of building up a Dye Industry in this country, and we must utilize every advantage."

Mr. Metz again suggested the appointment of a committee to confer with Mr. Taussig on this question.

Dr. Matthews called attention to the Tariff Committee which is now being formed by the American Dyestuff Manufacturers' Association, of which committee he was appointed Chairman, and suggested that it would be well to get this committee to take care of the matter under discussion, since it being the object of this committee to obtain suitable tariff protection for the American Dye Industry.

Dr. Reese suggested that the Chemical Alliance withdraw from this subject, as it was not a proper subject for them to enter into.

Mr. R. C. Jeffcott moved that the committee, as suggested, be appointed to confer with Mr. Taussig on the subjects of tariff and restriction of imports, and get his views concerning same. Motion seconded and carried. (The Chemical Alliance was not represented in this vote.)

Dr. Matthews called attention to the fact that this subject would have to be given considerable thought and that the new committee would be glad to receive any comments or recommendations from all members, on this subject. He expressed the view that if "such a thing could be brought about, it would be a very radical move in behalf of protecting the Dye Industry of this country."

Mr. Jeffcott moved that the meeting be adjourned. Motion seconded and carried. Meeting adjourned at 6:00 P. M.

(Sgd.) H. E. DANNER,
Secretary.

HED:IF.

PLAINTIFF'S EXHIBIT No. 512.

A meeting of the EXECUTIVE COMMITTEE of the American Dyestuff Manufactures' Association, Inc., was held on Tuesday, November 12th, 1918, at the office of the Association, 21 East 40th Street.

Meeting was opened 3:30 P. M.

Present: C. Cyril Bennett, Secy., Dr. J. M. Matthews, Mr. August Merz, Mr. R. P. Dicks, and Mr. M. R. Poucher.

Application of National Aniline & Chemical Co. for membership was passed upon.

Discussion of the ten-year licensing plan for dye imports after the war was held.

Suggestions for speakers at the dinner following the annual meeting on December 6th, were made, and

Mr. Bennett was requested to make the arrangements for the speakers.

Mr. August Merz, Chairman of the Standardization Committee, brought to the attention of the Committee that the Stand. Com. was composed of only five members, whereas seven were required. He suggested that Mr. Watkins of the National Aniline & Chem. Co., and Mr. O. P. Anthony of Geo. H. Morrill Co., be invited to serve on this Committee, and Mr. Bennett was requested to extend these invitations.

Meeting adjourned at 5:00 P. M.

RECEIPTS FROM MEMBERS

Althouse Chemical Co.	$200.00
American Aniline Products Inc.	200.00
Atlas Color Works	200.00
Ault and Wiborg	200.00
Bay State Chemical Co.	200.00
Calco Chemical Co.	200.00
Campbell and Co., John	200.00
Chemical Company of America	200.00
Commonwealth Chemical Corp.	200.00
Dicks David Co.	200.00
Dow Chemical Co.	200.00
du Pont de Nemours and Co., E. I.	200.00
Dye Products and Chemical Co.	200.00
Essex Aniline Works, Inc.	200.00
Grasselli Chemical Co.	200.00
Heller and Merz Co.	200.00
Hemingway, Inc., Frank	200.00
Holliday Kemp Co.	200.00
Kohnstamm Co., H.	200.00
Metals Disintegrating Co.	200.00
Monroe Color and Chemical Co.	200.00
Organic Salt and Acid Co.	200.00
Sherwin-Williams Co.	200.00
United Piece Dye Works	200.00
United States Color and Chemical Co.	200.00

Holland Aniline Works	$200.00
Butterworth Judson Corp.	200.00
Morrill Co., Geo. H.	200.00
	$5600.00

Expenses from April 10th, 1918, to September 16th, 1918

Furniture and Fixtures	$337.85
Rent (including Rumford Hall, $50.00)	362.50
Telephone	30.89
Stationery	105.41
Traveling Expenses	202.56
Petty Cash (including postage, wires, sundries)	185.30
Salaries (C. C. Bennett and Miss Segall)	2158.74
Attorney Fees (formation of Association)	285.00
	$3668.25

Balance on Hand

Receipts	$5600.00
Disbursements	3668.25
	$1932.75

PLAINTIFF'S EXHIBIT No. 513.

MINUTES

ANNUAL MEETING

AMERICAN DYESTUFF MANUFACTURERS' ASSOCIATION, INC.

Friday, December 6, 1918.

The Annual Meeting of the American Dyestuff Manufacturers' Association, Inc., was held on Friday, December 6th, 1918, in the office of the Association, 21 East 40th Street, New York City.

Mr. M. R. Poucher, President of the Association, took the chair and called the meeting to order at 3:00 P. M.

Mr. Poucher:

"The order of business in the Constitution and By-Laws is as follows:

(1) Calling the Roll."

Mr. Bennett, Secretary of the Association, called the roll, and the following members were represented:

Althouse Chemical Co.	Mr. C. Scott Althouse
Calco Chemical Company	Mr. F. M. Fargo, Jr.
Chemical Company of America	Mr. C. Kendall
Commonwealth Chemical Corp.	Mr. O. K. Mayland
Dicks, David & Co.	Mr. R. P. Dicks
E. I. du Pont de Nemours & Co.	Mr. M. R. Poucher
Dow Chemical Co.	Mr. J. T. Pardee
Beacon Color & Chemical Co.	Mr. E. J. Feeley
John Campbell & Co.	Mr. G. A. Whaley
American Aniline Products, Inc.	Mr. B. R. Armour
Atlas Color Works	Mr. H. Z. Zobel
Dye Products & Chemical Co.	Mr. L. M. Lowenthal
Essex Aniline Works, Inc.	Mr. W. Weinz
Grasselli Chemical Co.	Dr. J. M. Matthews
Heller & Merz Co.	Mr. A. Merz
Frank Hemingway, Inc.	Mr. F. Hemingway
Holland Aniline Co.	Mr. B. P. Donnelly
Holliday-Kemp Co.	Mr. H. J. McGrane
National Aniline & Chemical Co.	Mr. W. T. Miller
The Sherwin-Williams Co.	Mr. W. S. Woodrow

Mr. Poucher:

(2) "Next is Reading the Minutes of Previous Annual Meeting. As this is the first Annual Meeting, there are no previous Minutes."

(3) "Reports of Officers and Committees.

"We have three standing committees. First we will have the Treasurer's Report."

Mr. Bennett (Asst. Treasurer) read the Financial Report. (Attached marked A)

The Treasurer's report was passed upon by the members.

Mr. Poucher:

"Of standing committees, we have three. One is the Tariff, one the Trade and the other the Standardization. Tariff Committee, Dr. Matthews, Chairman."

Dr. Matthews:

"Our chief activities on the Tariff Committee have been the development of the idea of an Export License System as applied to imports of dyestuffs, feeling that probably in the near future, the dyestuff industry here will be somewhat menaced by the importation of German dyes in large quantities, and following the suggestion of the British Government during the last year, in the development of this same idea—that is, to have a License System of Imports of Dyestuffs, if possible, so that their imports be limited to the best interests of their own industry, we thought this would be a good plan to follow over here, so that we could keep out those dyes for which we have no necessity here. This idea seems to have received the endorsement of the British Government, and is laid out as a policy for their Administration to follow. We have talked it over with the dye manufacturers, and also with many consumers, and the license idea seems to be one that is capable of being developed. As far as Tariff goes, we all know that Tariff is a political issue, and our Committee has not attempted to stir up new ideas on the Tariff, or increase rates on the tariff at the present time, as there is a question whether it is advisable at the present time to raise a tariff issue at all, or to force a tariff

issue at this time. I believe that many of the dyestuff consumers would aid us in asking for increased tariff rates, but whether the increased tariff rates that would be allowed by the government would be, of the same aid to us as the obtaining of a License System of Imports, I doubt very much, as the License System of Imports is an elastic plan that can be utilized to prevent unjust competition, and at the same time allow those dyes to come into the country that are needed here, as we have to protect the consumers as well as ourselves. Whatever we get through Congress has to be gotten with the aid of the consumers, because we are naturally a small body as a voting power in this country. We have felt all along that all our work should be with the support of the consumers and in harmony with their ideas, and in developing our ideas we have been careful to consult with many of the representative dyestuff consumers, so that when it comes to formulating any policy to lay before Congress we want to find them working in harmony with us. In connection with this matter we went down to Washington several times and spoke to members of the War Industries Board and War Trade Board. This led to the calling of a meeting by Dr. King of the War Industries Board (who has been very kind to us in these matters). The meeting was called for representatives of dyestuff manufacturers and dyestuff consumers, to discuss the question of how the War Industries Board could aid in maintaining the Dyestuff Industry in this country. As a result of this meeting they passed a Resolution which no doubt many of you have already read. For those who have not read it, I will do so now." (Resolution attached—marked B.)

Dr. Matthews:

"As I stated this resolution was brought up at the meeting called by Dr. King of the War Industries Board, and Dr. King told me that it would be brought

to the attention of Mr. Baruch. At the meeting at Atlantic City the last two or three days, of the War Service Committee, under the auspices of the U. S. Chamber of Commerce, our Section of the Chemical Alliance also brought up this same question, and the War Service Committee also passed this resolution and that resolution will go forward through the Congressmen working down there, and receive some official recognition. I might also say that we have brought this policy to the attention of quite a number of people already; furthermore, we have taken it up with various of the consuming organizations and they have also passed resolutions endorsing this policy. For instance, the Home Market Club of Boston, and the Southern Wholesale Dry Goods Association, and the National Woolen Association—the Cotton Association is considering it—so that all of these organizations show a desire to aid the Dyestuff Industry. I have yet to find any antagonism on this policy. As far as actual tariff matters go, I do not think that it would be advisable at this time to attempt to secure any increase in tariff rates. I don't believe such a bill could be gotten through Congress, whereas this policy of licensing might be brought up, if gone at right and energetically, as a reconstruction measure. Of course this subject has to be carefully considered as far as the details go, in drawing up such a measure and the method of administering it, and the far-reaching ramifications that it might lead to. At the present time I do not think that any of us have a very clear, definite idea of the details. So far our idea has been to get this into form of resolutions before various bodies of people, and get the public force back of it, as we feel that it is necessary to have this public force back of it before we can accomplish anything definite. So far we have not yet gone into the newspapers. We don't feel that the time is quite ripe, but we will have to build up public opinion later, as dye-

stuffs are very close to the heart of the public. We found this out in our past tariff legislation, and we think we can get a good hearing before the public. When the time is ripe for bringing the matter before the public in a careful, well-considered manner, I think the newspapers will be a very efficient means of getting up considerable force back of this movement."

Mr. C. Scott Althouse:

"In connection with Dr. Matthews' talk, I had the opportunity of speaking to several men representing the Textile Workers' Union in my vicinity, and they all seemed to be in favor of this plan. There was a question in my mind, however, as to whether we want them to endorse this. I would like to have an expression of opinion, and know if there is any objection to bringing this matter before the Textile Workers' Union. It might be well to bring a Resolution before their Council and have them endorse it, as the Trade Union representing the Textile Workers represent the largest amount of votes than any other organization." (This question, owing to considerable private discussion among the members, was not answered.)

Mr. W. J. Robertson:

"Dr. Matthews, have you encountered any opposition from the importers?"

Dr. Matthews:

"I have not yet run across any such opposition, but as soon as the subject gains more headway, we may hear from them."

Mr. M. R. Poucher:

"The next committee is the Trade Committee, Mr. Fargo, Chairman."

Mr. F. M. Fargo, Jr.:

"The Trade Committee has concerned itself en-

tirely with the question of commercial bribery and we have passed a resolution which we circulated among the members of the Association. So far we have heard from twenty-three of the thirty members; seventeen signatures and six conditional acceptances of it. We now propose to make some minor changes in the resolution and submit it again to the members. We would like to have an opinion as to whether, if the majority sign it, after it is amended, we might be given permission to send it out to the trade in general—that is, a copy of the resolution showing the name of the signers, to be accompanied by a brief letter showing the position of this Association on that question. This is the only question that the Trade Practices Committee has to bring before the Association."

Mr. Poucher:

"Do you want an expression of opinion, Mr. Fargo, as to whether you can send this out to the trade?"

Mr. Fargo:

"Yes."

Mr. R. P. Dicks:

"I move that the Resolution be sent out to the trade, as the Trade Committee suggests."

Mr. W. J. Robertson:

"Gentlemen, this is a good thing, and we ask you to give us the authority to send it out with your name signed to it. I wish each one of you would consider it. This resolution with your signature would go to everyone in the trade that you do business with—showing by your signature that you do not do any bribing."

Mr. Poucher:

"It might be well to read the Resolution. There may be some people present who have not heard it."

Mr. Fargo read the Trade Committee Resolution. (Attached—Marked C.)

Mr. Poucher:

"Would it not be well to state what the Federal Trade Commission has done in this matter? Either you or Mr. Dicks have heard from them. They have had this matter under discussion for some time, and have taken it up with a number of organizations representing various industries."

Mr. Fargo:

"I don't know exactly what they have done, and I know some of the things they have done. They have had the question up with many manufacturers, and have followed up any information manufacturers have given them concerning any one who might be bribing in business, investigating the matter thoroughly, and finding out just what they can do towards stamping it out. I believe the Federal Trade Commission has not the power under the law to prosecute in any way, as I understand it, but they have the privilege of putting witnesses under oath and examining them on this question. I assume as a result of that they have the power to make recommendations to the Department of Justice.

I might say that the Federal Trade Commission itself took exception to the fourth clause in our Resolution; that is the one covering giving a box of cigars for Christmas. That is very much contrary to their own report, and we figure it is one of the minor changes we will have to make in it."

Mr. Poucher:

"As I understand it, they favor a bill, or caused a bill to be framed, whether it has been introduced in the House as yet, I don't know. Do you know what has become of that or what has been done?"

Mr. Fargo:

"I believe it is still in the Committee."

Mr. Poucher:

"Mr. Fargo asked that a motion be made to authorize the Trade Committee to publish a trade letter to be distributed among the consumers of dyestuffs, containing the Resolution which he read, coupled with a list of the names of those manufacturers who have signed it, agreeing to do no bribing in obtaining business."

Mr. Dicks:

"I move that it be instructed that the Trade Committee publish such a letter at such a time as it is ready to do so, with the signatures." Motion was seconded.

Mr. B. P. Donnelly did not quite understand whether the motion was to bind all the members of the American Dyestuff Manufacturers' Association to this agreement, or just the members who had signed the resolution, and the facts were duly explained to him.

Mr. Poucher:

"You have all heard the Motion. What is your pleasure?"

Motion was duly carried.

Mr. Poucher:

"Motion carried, and will be duly ordered."

Mr. Poucher:

"Has the Trade Commitee dealt with any kindred subject?"

Mr. Fargo:

"We have discussed somewhat the question of terms, but so far have not been able to come to an agreement. We would like to have an expression of

opinion from the members here, as to how they would feel about uniform terms in the industry. Of course we realize there would have to be exceptions, as in the cases of large corporations, but we have not yet gone far enough into the matter to come to any definite decision. Perhaps it would help us come to a decision if we knew how the members of this Association regarded the suggestion. One of the advisable points in this proposal is that it would affect the cutting of prices by means of discounts and long terms."

Mr. Poucher:

"Any other suggestions?"

Mr. Bennett:

"Gentlemen, you have a very active Trade Committee and you might as well utilize it. I have seen it working, and now is your chance to utilize it."

Mr. Poucher:

"Has the Trade Committee considered any possibility of combination under the Webb bill for export?"

Mr. Fargo:

"Would that be a matter for our Committee to consider as the Trade Practices Committee?"

Mr. Bennett:

"You are the Trade Committee, Mr. Fargo, and not the Trade Practices Commitee."

Mr. Poucher:

"This export question is receiving a great deal of attention now. The measure was brought about very largely for the numerous steel companies, and at the conference at Atlantic City it was given a great deal of attention. I think it is considered by the Chamber of Commerce as a very fine measure in many ways, nearly every way. It opens up a plan under

which a number of manufacturers can get together and do things that small manufacturers could not do alone. Of course there is a question, as was pointed out at this meeting, whether there is not a conflict between the Sherman Act and the Webb Bill. A resolution was very carefully prepared, to the effect that this was not the time to undertake to repeal the Sherman law, but that if it had not been for the action of the Government itself in practically taking over the Sherman Law and suspending operation under it for the past two years, the industrial results in this country would not have been obtained; that it would be better for Congress to pass a resolution approving the idea of suspending the Sherman Law for another period of two years, under certain conditions, of course—the criminal features of it have to stand—but the idea was the operation of the Sherman Law was to be withheld for another period of two years, and at the end of that time, the people generally would be well enough informed on this subject, and that would be the logical time to bring about some change.

I am not so sure that this Webb Law does not open possibilities in all lines and all industries, as in the steel business. If it is a good thing for the steel industry it is certain to be a good thing for many others.

I give you this as a suggestion, Mr. Fargo, as perhaps something may be worked out in this line. The Manufacturing Chemists' Association had a meeting and were trying to formulate some plan to take over the Chemical Industry. They suggested taking the work of the Chemical Alliance as a foundation for an organization to operate in the entire Chemical Industry in the United States, their export trade under the Webb Law. Now whether that is practicable or whether it goes too far, and the different branches can do it better alone, is a subject to be discussed. So

you will see that it is a live subject. You can rest assured of that."

"Anything else on the Trade Committee? Any other suggestions?"

Mr. W. T. Miller:

"Do I understand that you ask if there are any suggestions for the Trade Committee to take up as a proper subject for them to handle?"

Mr. Poucher:

"Yes."

Mr. Miller:

"I was wondering if this Commitee would do something with regard to the retail stores putting tags on the garments; for instances, hosiery, etc., things of that kind—'We cannot guarantee the dye in this fabric on account of the use of American Dyes.' That is something that the Trade Committee should see if it cannot remedy. The Dyestuff Industry has progressed far enough in this country and we are in a position to supply dyes of the same quality as the Germans. The Germans did not guarantee their colors, nor can we guarantee our colors, but we can guarantee that the colors we make are just as fast as the colors the Germans made. I think that the Trade Committee should give this matter attention."

Considerable discussion among the members on this subject followed, and Mr. Hemingway (Frank Hemingway, Inc.) called attention to the fact that the Saturday Evening Post had circulated a letter among their women subscribers concerning the matter of dyes. (Attached, marked D) and stated that such an action might prove injurious to the American Dyestuff Industry, inasmuch as the letters went to people who were ignorant in the matter of dyes, and the answers which might be received to such a letter as

was circulated, might be very harmful to the interests of the American Dyestuff Industry. Mr. Hemingway stated that it ought to be ascertained from what source such a move on the part of the Curtis Publishing Company originated, and what their motive was in taking such a step.

Mr. Bennett:

"I might answer Mr. Hemingway's question right now. They did it to be able to go to the Du Ponts or National Aniline and try to sell them a double-page spread for $5000 for an advertisement on dyestuffs."

Mr. Dickman stated that he had occasion recently to be at a counter of a store where handkerchiefs were being sold, and a gentleman was ordering some initials stamped thereon in colored silk, whereupon the saleslady stated that he would have to assume the responsibility and risk of using the colors he ordered, since they were American-dyed and could not be guaranteed. After the gentleman in question left the store, Mr. Dickman states he took the saleslady aside and told her that she ought to be educated on the matter of dyes, that her store could obtain American dyes that were fast, so that she would not have necessity for asserting that they could not be guaranteed as to fastness, because of the fact that they were American-made.

Mr. B. P. Donnelly told of one of his experiences. He had occasion to purchase a bathing suit and on enquiring as to the dye used therein, was told that it was guaranteed to be fast, although American-made. He then enquired how American-made dyes could be guaranteed, and the saleslady brought in the buyer for the respective department. Mr. Donnelly repeated his question as to why they guaranteed the dye in the suit he purchased, since it was American-made, and the buyer stated that so far there had been

no complaints, and they were able to guarantee same. Mr. Donnelly then congratulated the buyer.

(This story moved the audience to applause.)

Subsequent discusion brought out the opinion that the people to be brought to task in this connection were the manufacturers of fabrics or garments who put these tags on their finished products, and they should be educated to the appreciation of the quality of American-made dyes.

Mr. Frank Hemingway:

"I move that the proper officer of this Association be requested to communicate with the Curtis Publishing Co. and enquire as to the authority for sending out this letter and asking the questions contained therein, in the first place, and to suggest to the Curtis Publishing Co. that in the future all matters pertaining to dyestuffs be referred to this Association."

Motion was duly seconded and carried.

Mr. Poucher:

"The report of the Standardization Committee is next on the programme. Mr. Merz, Chairman."

Mr. August Merz:

"The Standardization Committee has only recently been fully organized, and therefore has not been able to accomplish as much as might be desired. One thing, however, is certain, and that is that we must establish standards of testing. No matter what standards we have, we must have a tape measure to measure these standards. Then there is another question in regard to the tariff. As you know the Secretary of the Treasury has the power to determine the pre-war standards that are to be brought into this country. I went down there recently and had an interview with Dr. Pickrell, with the view to

finding out how we could co-operate in any work that might be done. Of course we will have to take up such matters with the departments at Washington. They have their own ideas as to how materials should be tested. They state that a direct paste would be better than a purely scientific paste. The Bureau of Standards at Washington has in mind a purely scientific paste. We have not yet communicated with these departments but will do so at the first opportunity and hope to get into close touch with both the Bureau of Standards and the Treasury Department, and see what can be done."

Mr. Poucher:

"Is there any questions you would like to ask!"

(4) Special Business. Now under this head I would like to bring to your attention that at a meeting of the Executive Committee of the American Dyes Institute, the subject was brought up of a consolidation of this Association and the Dyes Institute along some such line as this. The Institute has a membership of some sixteen or seventeen and the Association, thirty. Of this number a certain number are members of both organizations, and the suggestion has been made whether we could not have one organization in this industry that would do all the Institute does, plus the work of this Association; that if these two organizations get together there would be a good deal more force to it than if they worked separately. There could be an open-price division, such as there is in the American Dyes Institute. The reason that there were two organizations from the start was that there was a certain number who wanted open-price. There are some who have no knowledge of the open-price, what it means and what it stands for. Now we have been over the work of both organizations very carefully; have a clear idea of what both are doing,

and it seems to be entirely feasible and practicable—incidentally it would save expense to bring the whole Industry into one organization. This subject I would like to bring to your attention for discussion and some decision.

Mr. R. P. Dicks:

"It seems to me that this is a very good idea. The two organizations have given the Industry as a whole a double expense to maintain, there have been a number of meetings each week for both the Institute and the Association, and the work of each more or less overlaps that of the other. A lot of time could be saved if there was one organization, and besides the expense would be less. Our membership in both organizations has cost us $600 this last year—$400 for the Institute and $200 for the Association. We would much rather spend that $600 in one organization than in two. The open-price end of the work of the Institute could be carried on as a division of the organization. A budget of approximate expenses has been compiled, amounting to $25,000. I have a memorandum from two firms both of whom are willing to start this amount with subscriptions for $5000 each, which will make $10,000 of the $25,000, and then there are fifteen more members of both the Institute and the Association who would contribute $1000 each to make up the rest. The du Pont's and the National will both give $5000 to this work."

Mr. Dicks argued strongly in favor of the consolidation of the two organizations, claiming that the work that could be accomplished through such combination would be greatly facilitated in building up, an American Dyestuff Industry in this country.

Mr. Poucher:

"We don't know exactly what the cost is going to be just yet."

Mr. Dicks:

"Whether it costs us $600 or $800 or even $1000 I would rather see the money spent on one concerted action rather than divison."

Mr. Miller:

"We have a lot before us to do in the way of developing this Industry, and the National would be very much in favor of consolidation so that we can all get together having in mind one action and one purpose. The two organizations would absorb a lot of time at the various meetings—for instance, we have this meeting here today, and another meeting of the Institute on Monday—it takes up a lot of time, which is very valuable. Speaking for the National, I want to say we are very much in favor of it"

Mr. Poucher:

"Mr. Merz, how does your company feel about it?"

Mr. August Merz:

"The Heller & Merz Co. is in favor of the combination."

During subsequent discussion on the matter, it was pointed out that the open-price division of the Institute could be maintained as a division of the consolidated organization, the expense of the open-price end to be borne by those members who take advantage of the open-price plan.

Mr. B. P. Donnelly:

"I move that this Association absorb the Dyes Institute without any financial obligations."

Mr. Poucher:

"It is not a question of the Association absorbing the Institute, or the Institue absorbing the Association. It is a question of the two organizations con-

solidating. Of course the Institute will have to settle all their financial matters first. There are various matters to be adjusted, since the Institute is not a chartered organization, and the Association is Incorporated. We will have to meet with the Dyes Institute on Monday and find out under what conditions they agree to be taken over. There are certain qualifications to be met before one can become a member of the Association. I suggest that a committee be appointed to meet the Dyes Institute and discuss this matter with them on Monday. The committee will have to be composed of men who are not on the Executive Board of the Institute."

Mr. Miller:

"I move that a committee be appointed at this meeting to represent this Association at the American Dyes Institute meeting on Monday relative to discussing the matter of consolidation." Motion duly seconded and carried.

Mr. Poucher:

"It will be duly ordered. We will now appoint such a committee to consult with the Dyes Institute on the matter of details at their meeting on Monday."

Mr. Jas. T. Pardee:

"I move that the President of this Association appoint a committee of three to arrange the details for combining the two organizations, with a similar committee appointed by the Dyes Institute."

Mr. Poucher appointed Mr. Donnelly, Mr. Miller and Mr. Pardee. Mr. Donnelly asked to be relieved as it was necessary for him to return to Holland, Mich., by Monday. Mr. R. P. Dicks was appointed in his place, and the committee then was composed of Mr. Dicks, Mr. Miller and Mr. Pardee.

Mr. Poucher:

"That I take it disposes of that matter. Another question under 'special business' is the matter of taxation with regard to plants. The depreciation of plants is probably not taken care of as adequately as it should be in the case of dyestuff plants. The depreciation allowed for a period of ten years is not adequate, and a higher percentage should be allowed in the tax schedule. I don't know whether any of you know of the suggestion made that we try to convince the Treasury Department that a higher per cent. of depreciation should be allowed in the case of the Dyestuff Industry. The matter was brought up by the Ault & Wiborg Co. and some of us made inquiries as to what the situation is. This has been a matter of consideration for some time with the expensive plants. Accountants have been taken in at the Treasury's office, and the authorities in Washington are going into the matter, as to just exactly the line in writing off some of these plants. In some cases allowances have to be made for the excess cost that it has cost, particularly does this apply to the last one or two years. There are a number of questions which have to be gone into, and it would be advisable to get together a committee of accountants from different firms. We would be very glad to lend our chief accountant, who has charge of all these matters for the company. If a number of these accountants get together we could determine exactly how far we can get in this matter.

Mr. Ault has brought up this question and if there is anything you would like to do about it, would be glad to have a motion."

Mr. Miller:

"I suggest we appoint a committee of five accountants to represent the Industry and look into this matter."

Dr. Matthews:

"I move that a committee of five accountants be appointed to look into this matter of depreciation of plant, with regard to taxation."

Motion duly seconded and carried.

Mr. Poucher:

"Our chief accountant will be very glad to give his services to this undertaking. How about your company, Mr. Merz?"

Mr. Merz:

"We have outside accountants working for us, but I can arrange to have one of them for this work."

Mr. Poucher:

"Will the National give their accountant, Mr. Wigglesworth?"

Mr. Wigglesworth:

"Yes, I believe this is a very vital subject to the entire industry."

Dr. Matthews:

"I suggest a committee of three accountants instead of five."

Discussion of some foreign matter interrupted, and the subject was dropped at this point.

Mr. Poucher:

"The next on the programme of Order of business is Election of Officers.

Dr. Matthews:

"I move that the Annual Meeting be postponed until after the committee of this Association has met that of the Dyes Institute." Motion duly seconded and carried.

Mr. B. P. Donnelly:

"With regard to the Tariff question of License, as previously discussed. Personally I feel quite keenly that the Licensing System would be the wind-up of the Dye Industry in the United States. Possibly I am taking the wrong view of it. However I have brought with me one of our associates in the dye field. He is not really connected with the business, but is a man who has had very large experience politically and legislatively, and a man who has vastly interested himself in many factories in our district. He has given a great deal of thought to the subject in question, and has spoken to quite a number of people. I would like to have you listen to Mr. Dickman who will give you his views in a general way."

Mr. Poucher:

"We will be very glad to do so."

Mr. Dickman stated that perhaps the view of an outsider was not wholly desirable as he was apt to know less about the subject than those on the inside, but inasmuch as he had given a great deal of thought to the subject, and had a great deal of legislative experience, possible his views might be helpful. He stated that it was indeed most essential and desirable that the American Dyestuff Industry be protected and maintained in this country, but did not think that the License Plan would do it, as it was not a feasible plan for putting through Congress, since it was not a political issue. He claimed that such a measure would not receive favorable attention in Congress, especially with the Democratic Party. He stated that the Democratic Party had a pet baby which they called the "protective" baby—the protective tariff—and inasmuch as that baby had grown up splendidly well since 1910, they would not be inclined to sacrifice that baby in a

case such as the License Plan. He said that as was the case after the Spanish War, after a War there is aways a "patriotic wave" over the entire country which influences the people to discriminate against trading with those countries they had been at War with. That now, while this wave of sentiment against Germany was on, was indeed the psychological time to endeavor to build up an American Dyestuff Industry, but that this could not be accomplished without political aid. That political aid, he claimed, would never be given to such a measure as the License System, and that the only course of action the Industry should pursue in seeking protection was through a "solid wall" of protective tariff.

The members were highly pleased with Mr. Dickman's interesting talk and applauded him when he finished speaking.

Mr. Poucher:

"Thank you very much."

Dr. Matthews:

"The reason the Tariff Committee has not attempted to ask for an increase in tariff rates at the present time, is that we did not feel that we could get sufficient tariff increase for considerable time to come, but if we could get this License plan through as a reconstruction measure, it would help in eliminating unfair competition from the Germans until our own industry was fully developed."

Considerable discussion followed between Dr. Matthews for the License Plan, and Mr. Dickman opposed to the plan, the latter emphasizing his point that nothing could be accomplished without political aid, and Dr. Matthews stating that it was not the desire of the Dye Industry to raise any political issue.

Mr. Poucher:

"Mr. Dickman, you will hear what the Tariff Commission has to say about this, through Mr. Taussig at the dinner tonight."

Mr. Miller:

"If we were to think of asking for any increase in tariff, the first thing we would be sure to be asked is what tariff we think we ought to have, and I don't believe that any of us are in a position to answer this question at this time. We are working under extraordinary conditions, with materials, labor, overhead, and everything else very high, and we cannot tell what our position will be in normal times. If Congress should say to us 'What tariff do you want?' I don't believe that we could say what we do want. We have not had a chance to operate under normal conditions, and therefore I think that we had better stick to the License proposition to give us a chance to find out what tariff we need."

General discussion of the License Plan, Tariff, etc., followed among the members. Dr. Matthews gave a brief outline of the activities of the British Government in their proposed Licensing Plan.

Mr. Miller:

"I move that we adjourn."

Motion seconded and carried.

Meeting adjourned at 5.30 P. M.

PLAINTIFF'S EXHIBIT No. 514.

MINUTES OF MEETING
AMERICAN DYES INSTITUTE
MAY 7, 1918.

A meeting of the Executive Committee of the

American Dyes Institute was held at the Hotel Biltmore on Tuesday, May 7, 1918 at 12:15 P. M.

The following members were present:

Mr. W. H. Cottingham, *President*
Mr. R. C. Jeffcott, *Vice President*
Mr. August Merz
Mr. Albert Blum
Mr. M. R. Poucher
Mr. H. E. Danner, *Treasurer*

The Treasurer reported as follows:

Total Receipts	$2,200.00
Expenditures	335.08
Balance	1,864.92
Accounts Payable	None
Accounts Receivable	800.00

The above report was approved and the Treasurer was instructed to read same at the general meeting to follow. The Treasurer was also instructed to send a duplicate bill to the members who had not yet paid their initiation fees.

The Secretary announced applications for membership from the following firms:

Transatlantic Chemical Corpn, 192 B'way, N.Y.C.
Grasselli Chemical Co., 244 Madison Ave.,N.Y.C.
The John Campbell Co., 75 Hudson St., N.Y.C.

He stated that the applications had been received too late to send notices to all members, in accordance with the By-Laws, and, on motion of Mr. Jeffcott, it was resolved that the Executive Committee report the above applications and recommend their election under waiver of the By-Laws and Constitution.

The Secretary also reported receipt of communication from the Western Reserve Chemical Company

announcing that for the present they desire to withdraw as a member of the Institute.

The Secretary announced the receipt of 775 reports covering contracts, orders and quotations, and stated that this total covered approximately 450 customers, but that in no instance did he find occasion to make any direct exchanges in accordance with the Reporting Plan. However, the reports showed that twenty-one customers had business relations with two or more of the five members reporting.

On motion the Secretary's Report was accepted and he was instructed to read same at the general meeting, and, on discussion, it was the opinion of the members that in order to give the members the benefit of information on file in the Secretary's office, he should interchange among the reporting members information showing what members had business relations with the same customer, but it was understood that this information should not disclose what materials or products were purchased by the said customer.

Then followed a discussion regarding the filing of a list of products now being manufactured. It appeared that only four of the members had filed this information, and it was the judgment of the Committee that this matter should be thoroughly discussed in the general meeting and all the members urged to report the statistics at the earliest possible moment, and it was also considered that members should, in addition, report on a list of products which they intend to manufacture or which they are preparing to manufacture. Mr. Poucher was requested to submit this matter at the general meeting for discussion, and such action as might be taken.

There being no further business, on motion, the meeting was adjourned.

(Sgd.) H. E. DANNER,
Secretary.

PLAINTIFF'S EXHIBIT No. 515.

MINUTES OF MEETING
AMERICAN DYES INSTITUTE
JUNE 5, 1918.

The regular meeting of the Executive Committee of the American Dyes Institute was held at the Hotel Biltmore on Wednesday, June 5th.

The following members were present:

Mr. Albert Blum
Mr. August Merz
Mr. M. R. Poucher
Mr. H. E. Danner, *Treasurer*

In the absence of the President, Mr. Poucher acted as Chairman.

The Treasurer reported as follows:

The Treasurer reported an error in the report at the previous meeting due to an item of Petty Cash which had been omitted, therefore, the balance as of May 1st, 1918 should have read $1890.36 instead of $1864.92. The account for the month of May 1918 follows:

Balance on hand May 1st, 1918	$1890.36
Receipts (Initiation Fees)	400.00
Total	$2290.36
Expenditures	$560.33
Balance on hand June 1st, 1918	$1730.03
Balance—Petty Cash on hand	38.28
Cash in Bank	$1691.75
	$1730.03
Accounts Receivable	$1200.00
Accounts Payable	None

On motion, the above report was approved and the Treasurer was instructed to read same at the general meeting.

The Secretary submitted a list of the members who had replied to the request that they file a list of:

1—Products *now being manufactured*

2—Products which the members *are* preparing to manufacture

3—Products which the members *intend or expect to manufacture*

Mr. Poucher was requested to call to the attention of the members at the general meeting the importance of filing this information promptly.

The Secretary reported an application for membership from the Dow Chemical Company, of Midland, Michigan, and, on motion, said application was approved and Mr. Poucher was requested to recommend the Dow Chemical Company for election at the general meeting.

The Secretary submitted a list of 202 products, which, up to the present time, was represented by the reports received from the members. He called attention to the fact that very few direct exchanges had been made, and that possibly some of the products in the list which he submitted might be corresponding products under different brands or names. Therefore, Mr. Poucher and Mr. Merz very kindly offered to check up this list and advise the Secretary if there were any articles which were comparable and would therefore call for an interchange of reports covering these materials.

Mr. Blum called attention to the fact that the Secretary had been engaged and had been acting as such since March, but that no definite arrangements had been made with reference to his compensation, and thereupon it was suggested that Mr. Danner's

compensation would be $3,500 per year, all of which was satisfactory to the members present and was agreed upon.

The Treasurer called attention to the bank balance, and stated that it would seem wise to carry a more substantial balance than this, as he desired to pay all bills promptly. It was therefore agreed that the Treasurer should send out bills to provide for $5,000 in the treasury, same to be divided among the present members; it being understood that at the end of six months the expenses of the Institute would be pro rated to the members in accordance with a plan to be worked out by the Executive Committee.

The Secretary announced that he had received the very sad news of the death of Mr. Cottingham's wife, and the Chairman was requested to offer a suitable resolution of sympathy at the general meeting.

It was suggested that in view of the fact that the next regular meeting of the Institute would naturally fall on July 3d, the day preceding the Fourth, a national holiday, the date of the next meeting should be changed, and it was agreed that the next meeting of the Executive Committee would be held on Wednesday, July 10, at 12.30, and the general meeting be held on the same date at 1 P. M.

(Sgd.) H. E. DANNER,
Secretary.

PLAINTIFF'S EXHIBIT No. 516.

MINUTES OF MEETING
EXECUTIVE COMMITTEE OF
THE AMERICAN DYES INSTITUTE

November 6th, 1918.

A meeting of the Executive Committee of the American Dyes Institute was held at the Hotel Bilt-

more, New York City, on Wednesday November 6th, 1918, at 12:00 o'clock Noon.

The following members were present:

Mr. W. H. Cottingham, *President*
Mr. M. R. Poucher
Mr. August Merz
Mr. Frank Hemingway
Mr. H. E. Danner, *Treasurer*

Counsel, Mr. Arthur J. Eddy, was also present.

The Secretary reported that he had received a verbal application for membership from the Althouse Chemical Co., of Reading, Pa., and on discussion it was decided to recommend to the general meeting that the application of the Althouse Chemical Company be received, and under waiver of the By-Laws and Constitution, should be recommended for election of membership in the Institute.

The report of the Secretary and Treasurer was read and approved and he was directed to read same at the general meeting.

The President then submitted correspondence he had received from Mr. Herman A. Metz of the Consolidated Color and Chemical Company, in reference to his previous application for membership in the Institute, and on discussion it appeared to the members present that although the connection of Mr. Metz with the Consolidated Color & Chemical Company was truly American, he at the same time (so far as they knew) retained his former connections with German manufacturers, and it was therefore decided that Mr. Cottingham should communicate with Mr. Metz, advising him that action had been postponed.

Attention was called to the fact that the United States Chamber of Commerce had called a convention (to be held in Atlantic City on December 4th, 5th, and 6th, 1918), of all War Service Committees in various

Industries, and on discussion it was resolved that the Executive Committee would recommend to the general Association that the American Dyes Institute and the Industry should be represented at this conference, and that the following should be asked to attend:

Mr. M. R. Poucher—A member of the Institute.

Dr. J. Merritt Matthews—Representing the American Dyestuff Manufacturers Association, and also the Chemical Alliance.

Mr. W. T. Miller—Of the National Aniline & Chemical Company. Neither a member of the Institute nor the American Dyestuff Manufacturers Association.

It was further recommended that if the general meeting approved of the above report, the Secretary should advise the Chamber of Commerce that the above parties would attend the conference and represent the Dyestuff Industry.

Mr. Poucher then spoke of the work of the Institute and the work of the American Dyestuff Manufacturers Association, which seemed to overlap in a number of channels, and he (Mr. Poucher) suggested the possibility of the two organizations being merged into one. It developed that the members of the Institute were also members of the American Dyestuff Manufacturers Association, with some exceptions, *i. e.*, The American Dyestuff Manufacturers Association had members who were not members of the American Dyes Institute, and on the other hand, the American Dyes Institute had members who were not members of the American Dyestuff Manufacturers Association, and inasmuch as the activities of the two Associations seem to overlap and cause duplication of work, it was considered that it was practicable to merge the two Associations and provide some plan whereby those

who do not wish to participate in the reporting plan called for in the Institute, would still have the privilege of attending all meetings and participate in all discussions.

The matter was left in the hands of Mr. Poucher, President of the American Dyestuff Manufacturers Association, as it seemed to be a matter as to whether or not those members of the American Dyestuff Manufacturers Association would consent to becoming members of the American Dyes Institute because of financial obligations. In this connection it was the opinion of the committee that equitable arrangements could be made as to each member's proportionate share of the expenses of the Association.

Counsel called attention to a proposed copy of a pamphlet to be issued by the Institute, and on discussion it was decided that this pamphlet should be printed in proof form and submitted to the members of the Executive Committee, which, if approved, would be printed as pamphlet No. 1, and a supply sent to all members to be distributed to the trade.

The above was approved subject to the approval of the general meeting.

There being no further business the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED:IF.

PLAINTIFF'S EXHIBIT No. 517.

MINUTES OF MEETING
EXECUTIVE COMMITTEE
AMERICAN DYES INSTITUTE

December 9th, 1918.

A regular monthly meeting of the Executive Com-

mittee of the American Dyes Institute was held at the Hotel Biltmore, New York City, on Monday, December 9th, 1918, at 12:00 O'clock Noon.

The President, Mr. W. H. Cottingham, presided.

The following members were present:

Mr. W. H. Cottingham.
Mr. R. C. Jeffcott.
Mr. August Merz.
Mr. M. R. Poucher.
Mr. H. E. Danner—Treasurer.

Counsel, Mr. Arthur J. Eddy, also attended.

The Treasurer reported as follows:

November 1st, Balance	$1260.82
Received during November, 1918	200.00
	1460.82
Expenditures during November	792.91
Balance Dec. 1st, 1918	667.91
Accounts payable	$7975.01
Mr. Arthur J. Eddy	7500.00
Mr. H. E. Danner	475.01
Accounts receivable	$1000.00

Attention was called to the necessity of providing funds to meet payments due which would be increased by December 31st, the end of the Institute year.

As regards accounts receivable Secretary announced that the firm of J. J. White, Inc., has tendered their resignation.

No action was taken, pending the proposed amalgamation of the American Dyestuff Manufacturers Association and the American Dyes Institute.

Mr. Poucher then reported that at the annual meeting of the American Dyestuff Manufacturers Association it had been proposed that the two Associations be amalgamated, and to that end a committee,

with power, had been appointed to confer with the Executive Committee of the American Dyes Institute and arrange the details of such an amalgamation if desired and approved by the American Dyes Institute.

Mr. Dicks of Dicks, David & Co., Mr. Miller of The National Aniline & Chemical Company, Inc., and Mr. Pardee, of the Dow Chemical Company, the committee appointed by the American Dyestuff Manufacturers Association, then joined the meeting.

After discussion it was unanimously resolved that the Executive Committee should recommend to the Institute meeting that the amalgamation be brought about, as it was considered the interests of all members would be better served

Then followed a further discussion which resulted in the meeting adopting the following recommendations to be submitted to the Institute Meeting:

1—It is unanimously recommended that the two associations be amalgamated and the name to be American Dyes Institute.

2—It is unanimously recommended that qualifications for membership be covered by the present qualifications of the American Dyestuff Manufacturers Association and those of the present American Dyes Institute, and that those applying for membership who are not at present qualified to join either of the above Associations shall not become a member of the American Dyes Institute.

3—It is unanimously recommended that the services of Dr. J. M. Matthews be secured as a salaried Vice-President who will devote his time and expert knowledge to the industry and Institute; also that the services of Mr. C. C. Bennett be secured in such capacity and on such terms as the Executive Committee will hereafter determine.

4—It is unanimously recommended that the present Board of Governors of the Manufacturers Association be, and hereby are, declared Governors of the American Dyes Institute and that the members of the Executive Committee of the Manufacturers Association who are not now members of the Executive Committee of the Institute, be, and hereby are, declared members of the Executive Committee of the American Dyes Institute.

5—It is unanimously recommended that all committees of the American Dyestuff Manufacturers Association be, and hereby are, declared Committees of the American Dyes Institute.

6—It is unanimously recommended that the future budget of the American Dyes Institute and the assessments to cover same be referred to the Executive Committee.

7—It is unanimously recommended that Counsel prepare the proper amendments to the present By-Laws and Constitution of the Institute.

8—It is unanimously recommended and understood that any member of the American Dyestuff Manufacturers Association who is not now a member of the Institute is in no way liable to any obligation incurred by the Institute up to this date.

The President was requested to report the above recommendations to the general meeting of the Institute.

There being no further business on motion the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED:IF.

COPY OF RECOMMENDATIONS ADOPTED AT AMERICAN DYES INSTITUTE MEETING ON DECEMBER 9TH, 1918.

1—It is unanimously recommended that the two associations be amalgamated and the name to be American Dyes Institute.

2—It is unanimously recommended that qualifications for membership be covered by the present qualifications of the American Dyestuff Mfgrs. Association and those of the present American Dyes Institute, and that those applying for membership who are not at present qualified to join either of the above associations shall not become a member of the American Dyes Institute.

3—It is unanimously recommended that the services of Dr. J. M. Matthews be secured as a salaried Vice-President who will devote his time and expert knowledge to the industry and institute; also that the services of Mr. C. C. Bennett be secured in such capacity and on such terms as the Executive Committee will hereafter determine.

4—It is unanimously recommended that the present Board of Governors of the Manufacturers Association be and hereby are declared Governors of the American Dyes Institute and that the members of the Executive Committee of the Mfgrs. Association who are not now members of the Executive Committee of the Institute, be and hereby are declared members of the Executive Committee of the American Dyes Institute.

5—It is unanimously recommended that all committees of the American Dyestuff Mfgrs. Association be and are hereby declared Committees of the American Dyes Institute.

6—It is unanimously recommended that the future budget of American Dyes Institute and the assessments to cover same be referred to the Executive Committee.

7—It is unanimously recommended that counsel prepare the proper amendments to the present By-Laws and Constitution of the Institute.

8—It is unanimously recommended and understood that any member of the American Dyestuff Mfgrs. Association who is not now a member of the Institute is in no way liable to any obligation incurred by the Institute up to this date.

PLAINTIFF'S EXHIBIT No. 518.

April 11, 1918.

MINUTES OF MEETING

AMERICAN DYES INSTITUTE

A meeting of the American Dyes Institute was held at the Hotel Biltmore, New York City, April 10, 1918. A luncheon was served at 1 o'clock, after which those present adjourned to a meeting room.

The following firms were present and represented as follows:

Ajax Aniline Works, Inc., M. Frankforter.

The Calco Chemical Co., R. C. Jeffcott, F. M. Fargo, Jr.

John Campbell Co., Mr. Whaley.

Dicks, David Co., Robert P. Dicks, A. S. Brummier.

E. I. duPont de Nemours & Co., M. R. Poucher.

Grasselli Chemical Co., Dr. J. N. Mathews, George M. Eno.

Heller & Merz, August Merz.

Frank Hemingway, Inc., Frank Hemingway.
Marden, Orth & Hastings Corpn., M. S. Orth, C. A. Mace, H. D. Ruhu.
Merrimac Chemical Co., S. W. Wilder.
Naugatuck Chemical Co., Wm. Valentine.
The Sherwin-Williams Co., W. H. Cottingham, W. S. Woodrow.
Transatlantic Chemical Corpn., Edmund B. Clary.
United Piece Dye Works, Albert Blum.
Hydrocarbon Chemical Products Co., Mr. Hindman.
Mr. C. Cyril Bennett.
Counsel, Mr. Arthur J. Eddy, also attended.

The meeting proceeded to the selection of a temporary chairman, and on motion Mr. Albert Blum was unanimously requested to take the chair.

The chair then announced that nominations were in order for President. Mr. Jeffcott nominated Mr. W. H. Cottingham, and the nomination was seconded by Mr. Poucher. Mr. Cottingham asked to be excused, but was finally persuaded to accept the nomination, and on motion nominations were closed and Mr. Cottingham was unanimously elected President for the ensuing year.

Mr. R. C. Jeffcott was nominated for Vice President, and on motion nominations were closed and the chair announced that Mr. Jeffcott had been unanimously elected Vice President for the ensuing year.

Nominations were then in order for Treasurer, and on motion of Mr. Cottingham the Secretary, Mr. Harry E. Danner, was nominated and elected to act as Treasurer for the ensuing year.

The chair then called for nominations for four members to serve with the above mentioned officers on the Executive Committee. The following names were placed in nomination:

Mr. Frank Hemingway.
Mr. M. R. Poucher.
Mr. August Merz.
Mr. Albert Blum.

On motion nominations were closed, and it was further agreed to cast one ballot for the election of the four named. The Secretary therefore announced the unanimous election of Mr. Frank Hemingway, Mr. M. R. Poucher, Mr. August Merz and Mr. Albert Blum to serve as members of the Executive Committee for the ensuing year.

Mr. Blum then requested Mr. Cottingham, the President, to take the chair.

The Secretary announced that he had already received one hundred and fifty reports of contracts or orders. These had been filed by the Calco Chemical Company and Marden, Orth & Hastings. There were no exchanges. However, the Secretary stated that he was prepared to make any exchanges called for on the Reporting Plan as soon as he received reports which required same. He stated he had engaged an office, which would be ready for occupancy shortly after the 1st of May.

It developed that some of the members were ready to file a record of all their contracts and orders, as called for in the Reporting Plan, but had thought they were to receive a special form of printed blank. The Secretary explained that these blanks had not yet been prepared, but now that he had already received some reports which were actual copies of the orders or contracts sent to the customer, he was prepared to draft a form which he hoped would provide for all the details required on the Reports.

Counsel then read the modified Reporting Plan, which provided that for the present contracts and orders would be exchanged only with contracts and

orders, and that they would not be exchanged with quotations.

After the Reporting Plan was discussed quite thoroughly, the chair requested the members of the Institute to state whether or not they would report all price information called for in the Reporting Plan. The following members, who were present, stated they would file everything called for:

Frank Hemingway, Inc.
The Calco Chemical Company.
Dicks, David Co., Inc.
E. I. duPont de Nemours & Co.
Hydrocarbon Chemical Products Co.
United Piece Dye Works.
Marden, Orth & Hastings Co., Inc.

The Sherwin-Williams Company stated they would report on some of their products, and the Merrimac Chemical Company stated that for the time being they would not report any of the price information called for. Mr. Merz, of The Heller & Merz Company, stated that he was not then prepared to say he would report on all his products.

The chair then asked the others present, and who were not already members of the American Dyes Institute, whether or not they would care to become members. The Ajax Aniline Works, The Grasselli Chemical Company, the Transatlantic Chemical Corporation and the John Campbell Company all said that at the present time they were not prepared to state.

The Naugatuck Chemical Company stated they would like to participate, and therefore, there and then indicated their desire to become a member, and, on motion, the by-laws and constitution requiring a ten days' notice to all members was set aside, and the Naugatuck Chemical Company was elected to membership under waiver of the by-laws and constitution.

Mr. Valentine stated that his company manufactured aniline oil and nitro benzol, and a large part of their product was used by his own company; that is, only a small part was sold in the market in competition with similar products of other members.

It was understood by all the members present that quotations, orders and contracts filed with the Secretary would cover domestic trade. However, if any member desired to report similar information as regards his export business, he was at liberty to do so, and if he would state on his report that it was for export, the Secretary would provide that reports covering export work would be exchanged only with other members reporting to the same customer on the same product for export.

Under the heading of "Communications," the chair read a letter from the Dye Products & Chemical Company, Incorporated. This firm had indicated its desire to become a member of the American Dyes Institute, but now had withdrawn its name.

Mr. Blum called attention to an advertisement appearing in the *New York Times* of March 3rd. This was an advertisement of a large department store in New York City, and laid special stress on the fact that a certain fabric was dyed with Imported Dyes. He also read an article appearing in the *Daily News Record* of March 12th, in which a clothing firm of Chicago had stated that it was no longer possible to guarantee fast colors or wearing service. Thereupon, there was considerable discussion, and it was the sense of the meeting that American sellers should promote the use of American dyes and discourage such propaganda. On motion this matter was referred to Mr. Poucher, with the thought that the American Dyestuff Manufacturers Association might very properly take up this matter and request the cooperation of American institutions. In this connection Mr. Blum stated

that in his experience the foreign manufacturers of dyes had never absolutely guaranteed fastness, and it was his opinion that such guarantees had simply grown as a trade practice of the distributors of merchandise.

Counsel stated that at the last meeting of the National Association of Finishers of Cotton Fabrics, a motion had been passed that, inasmuch as they were large consumers of dyes and desired to cooperate with American manufacturers, they were prepared to report to their Secretary a list of the dyes which they purchased and used during the year 1917, and thereafter would also every three months of the current year, provide a similar list. These totals would be transcribed to the Secretary of the American Dyes Institute. Mr. Blum, on behalf of the members of the silk section of the National Association of Finishers, stated that he had no doubt the members would be willing to file a similar report.

On motion, it was resolved that the American Dyes Institute should spread upon the records their appreciation of the motion taken by the National Association of Finishers of Cotton Fabrics, and it was also suggested that the Secretary address the associations in the woolen, leather, paper and paint trades, stating this fact and asking if their associations would be willing to cooperate to the same extent.

On motion of Mr. Hemingway it was resolved:

> That the Secretary request each member to file a list of all the products which they make and to also state if they would be willing to have their list given to either a competitor or buyer if it was requested.

The date for the next meeting was set for Tuesday, May 7th, to be held at the Hotel Biltmore, at 1 P. M.; there being no further business, on motion, the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

PLAINTIFF'S EXHIBIT No. 519.

AMERICAN DYES INSTITUTE
MINUTES OF MEETING

May 7, 1918.

A regular meeting of the American Dyes Institute was held at the Hotel Biltmore, New York City, on Tuesday, May 7, 1918. Luncheon was served at one o'clock. The regular meeting was called to order by the President, Mr. W. H. Cottingham, at 2 o'clock.

The following firms were present and represented as follows:

The Calco Chemical Co., R. C. Jeffcott, F. M. Fargo.
E. I. duPont de Nemours & Co., M. R. Poucher.
The Heller & Merz Co., August Merz.
Hydrocarbon Chemical Products Co., Mr. Hyndman.
Marden, Orth & Hastings Corpn., F. M. Fargo.
Merrimac Chemical Co., S. W. Wilder.
The Sherwin-Williams Co., W. H. Cottingham, W. S. Woodrow.
United Piece Dye Works, Albert Blum.
Naugatuck Chemical Co., Wm. Valentine.
The Grasselli Chemical Co., George M. Eno.
Transatlantic Chemical Corpn., Edmund B. Clary.
Cosmic Aniline Works, Mr. Kalman.
The Althouse Chemical Co., Mr. Althouse.
Counsel, Mr. Arthur J. Eddy, also attended.

Inasmuch as a copy of the minutes of the previous meeting had been mailed to each member, and as there were no corrections, they stood approved, and, on motion, reading was omitted.

The Secretary announced applications for membership from the following firms:

Transatlantic Chemical Corpn., 192 B'way, New York City.
The Grasselli Chemical Co., 244 Madison Ave., New York.
John Campbell & Co., 75 Hudson St., New York City.

He reported that these applications had been submitted to the Executive Committee, and were approved and recommended for election under waiver of the by-laws requiring the Secretary to send a ten days' notice. On motion, the Secretary was instructed to cast one ballot for their unanimous election.

The Treasurer reported receipts of $2,200.00 and expenditures during April of $335.08, leaving a balance of $1864.92. Accounts payable none—accounts receivable $800.00. On motion, the Treasurer's report was accepted as read and ordered to be filed.

The Secretary reported that five members, that is—

The Calco Chemical Company
E. I. duPont de Nemours & Company
Marden, Orth & Hastings Corpn.
The Sherwin-Williams Company
United Piece Dye Works

were filing records of their contracts, orders and quotations. Mr. Cottingham stated that his firm was reporting all of the information called for in the Reporting Plan on a limited number of products. The other reporting members stated that they were reporting all of the information called for on all of their products. Up to date there was a total of

190 contracts
384 orders
201 quotations

Making a total of 775 reports filed.

This total covered approximately 450 customers, and in no instance did the Secretary find any occasion to make any direct exchanges in accordance with the Reporting Plan, inasmuch as no two members had reported to the same customer covering the same dyes or intermediates.

However, the record showed that 21 customers had business relations with two or more of the five members reporting covering materials which do not interchange.

On discussion it was the sense of the meeting that, in order to make a start and give the members the benefit of the information on file in the Secretary's office, he should exchange this information among the members who reported to the same customer, without disclosing what materials or products were being purchased by said customer.

The Secretary also reported that, in accordance with resolution passed at the last meeting, he had requested the members to file with his office a list of all the products which they were now making. To this he had received replies from four members, namely

The Sherwin-Williams Company
E. I. duPont de Nemours & Company
Merrimac Chemical Company
United Piece Dye Works.

Then followed a discussion, and it was the judgment of the majority present that this information would be particularly valuable, and it was hoped that each member would file his record promptly.

Mr. Cottingham then reported for the Executive Committee, and stated that this subject had been discussed at the Executive Meeting and it was their recommendation that each member file not only this information, but in addition report to the Secretary

all products he was preparing or expected to make, also a list of all products which he had in mind to make in the near future. It was explained that the record of the dyes and intermediates each member was preparing to make cover the products for the manufacture of which a member was already committed, either in the form of an investment or purchase of raw materials. The list of the products which a member had in mind to manufacture in the near future would be those for which he had made no actual commitments at the present time. On motion it was resolved:

> "That the Secretary send a request to each member and provide suitable blanks for the reporting of this information"

and he was instructed to interchange this information among members reporting like information. It was felt that the interchange of these lists would lead to closer cooperation and greater economy. It was suggested by Mr. Jeffcott that this information should also be sent to the National Association of Finishers of Cotton Fabrics, and to other consumers of dyes or intermediates who requested same. This matter was left for further discussion at the next meeting, inasmuch as the reports as planned cover only materials actually manufactured by each member, and it developed that some of the members supplemented their list of products by purchasing from others.

The discussion of the subject developed the fact that the Government was not only requesting but taking steps to enforce the strictest economies in the use of certain raw materials necessary to the manufacture of dyes, and it was the feeling of those present that if the members would file reports of products already made and products they contemplated making, it would lead to a more intelligent diversification of production and to the conservation of supplies.

Report of Committee—Mr. M. R. Poucher reported progress regarding the matter referred to him at the last meeting, with reference to an advertisement appearing in the *New York Times* of March 3d.

AMERICAN DYES INSTITUTE

Addition to Minutes of Meeting held May 7th, 1918.

In connection with Page 4—Minutes of Meeting of American Dyes Institute—please note that the Special Committe of the Dyestuff and Intermediate Section of the Chemical Alliance is as follows:

C. L. Reese, Chairman
H. A. Metz
R. W. Hochstetter
August Merz
I. F. Stone
F. M. Fargo
H. D. Ruhm
A. R. Curtin
J. M. Mathews, Secretary

Address—50 E. 41st Street, New York City.

Mr. Blum stated that competitive conditions were bad in some products, and on the other hand some colors were not made which consumers would like to get.

It was then suggested that the Secretary request the National Association of Finishers of Cotton Fabrics to state what products they would like to have but were unable to obtain, and in what quantity.

Mr. Cottingham stated his firm had been notified that Acetic Acid was required by the Government, and therefore they would be permitted only 25% of their requirements for commercial consumption.

Mr. Poucher then told the members that his firm

had appealed to the War Industries Board to reclassify Synthetic Indigo and place same in Class A, which was done, and that not only his firm but any others manufacturing Synthetic Indigo could obtain 100% of their requirements of Acetic Acid. He also reported that in all cases where a party desired a reclassification in the priority list the Government would be guided by the advice of the Committee of The Chemical Alliance —Dye and Intermediate Division.

The members of the Section are:

American Aniline Products, Inc., 80 Fifth Ave., N. Y. C.
Ault & Wiborg, Cincinnati, Ohio.
Calco Chemical Company, Woolworth Bldg., New York City.
Central Dyestuff & Chemical Co., Newark, N. J.
Chemical Company of America, 28 Platt St., New York City.
Consolidated Color & Chemical Co., 122 Hudson St., N. Y. C.
E. I. duPont de Nemours & Co., Wilmington, Del.
Dye Products & Chemical Co., Inc., 200 Fifth Ave., N. Y. C.
Grasselli Chemical Company, Cleveland, Ohio.
The Heller & Merz Co., Newark, N. J.
Middlesex Aniline Co., 129 Broadway, New York.
National Aniline & Chemical Co., 244 Madison Ave., N. Y. C.
Naugatuck Chemical Company, Naugatuck, Conn.
Newport Chemical Co., 120 Broadway, New York.
United Piece Dye Works, 132 Madison Ave., New York City.
United Oil & Chemical Corpn., 61 Broadway, New York City.

It was the sense of the meeting that the President should appoint a Standing Committee from the Amer-

ican Dyes Institute to cooperate with the Government and the committee of the Chemical Alliance.

The following Standing Committee was appointed:

Mr. M. R. Poucher, Chairman
Mr. R. C. Jeffcott
Mr. August Merz

and the members were advised to submit any questions about this subject to the Committee. If any member applies for a new rating on any products, it will be necessary to advise the Committee complete details and outline what products into which the material goes and its relation to any other products dependent on the supply of the particular material in question. Mr. Blum reported that the Silk Association had cooperated with the Government and had agreed to curtail the use of Bichloride of Tin.

Mr. Poucher again referred to the matter of filing a list of products being made, and urged the members to do so, as it would not only be of great benefit to the members and tend to prevent overlapping in products, but would probably be required by the Government at an early date. He said that, in his judgment, there were already some products which could be made in quantities far in excess of normal consumption, for instance, Sulphur Black, while, an the other hand, there were materials not being made but which should be developed. Mr. Jeffcott reported he was having trouble in obtaining a supply of Methyl Alcohol.

It was understood by the members that the reports of contracts, orders or quotations cover all materials offered for sale, whether or not actually manufactured by the member. Mr. Wilder asked if anyone present was making H. Acid. Mr. Poucher stated that his firm would produce this intermediate very shortly.

Reference was made to a communication which

had been sent to each member calling attention to the fact that twenty-six varnish firms had been ordered by the Federal Trade Commission to discontinue the giving of gratuities for the purpose of inducing buyers to purchase their products. It was the sense of the meeting that the members of the American Dyes Institute were heartily in favor of abolishing this practice, which has long been known in the dye industry. The matter was held for further discussion at the next meeting.

Mr. Cottingham asked the members if they had considered the development of export business, and this subject was held for further discussion at the next meeting.

It was then moved that the regular monthly meetings of the Institute be held on the first Wednesday of every month, and therefore the meeting for June will fall on Wednesday, the 5th. There being no further business, on motion, the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

PLAINTIFF'S EXHIBIT No. 520.

MINUTES OF MEETING
AMERICAN DYES INSTITUTE
June 5, 1918

A regular meeting of the American Dyes Institute was held at the Hotel Biltmore, New York City, on Wednesday, June 5, 1918.

Luncheon was served at one o'clock, after which, in the absence of the President and Vice President, the meeting was called to order by counsel, Mr. Arthur J. Eddy.

Mr. M. R. Poucher was elected Chairman for the day.

The following firms were present and represented as follows:

The Calco Chemical Company—Mr. G. A. Berry, Mr. R. N. Shreve.

E. I. du Pont de Nemours & Co.—Mr. M. R. Poucher.

The Heller & Merz Co.—Mr. August Merz.

Hydrocarbon Chemical Products Co.—Mr. Hyndman, Mr. Brimmer.

Marden, Orth & Hastings Corp.—Mr. F. M. Fargo, Mr. Ruhu.

Adolph Zobel Color Works—Mr. Adolph Zobel.

Transatlantic Chemical Corp.—Mr. E. B. Clary.

Dow Chemical Co.—Mr. J. T. Pardee.

Counsel—Mr. Arthur J. Eddy also attended.

Dr. J. Merritt Mathews arrived late.

Inasmuch as a copy of the minutes of the previous meeting had been mailed to each member, and as there were no corrections, they stood approved, and, on motion, the reading of same was omitted.

New Members:

The Secretary announced the receipt of application for membership from the Dow Chemical Company, of Midland, Michigan, and stated that same had been submitted to the Executive Committee, who approved and recommended the Dow Chemical Company for election as a member of the Institute.

On motion, the Secretary was instructed to cast one ballot for unanimous election. The Secretary thereupon announced the unanimous election of the Dow Chemical Company, of Midland, Michigan, to membership in the Institute.

Report of Officers

Treasurer:

The Treasurer reported an error in the report at

the previous meeting due to an item of Petty Cash which had been omitted, therefore, the balance as of May 1st, 1918 should have read $1890.36 instead of $1864.92. The account for the month of May 1918 follows:

Balance on hand May 1st, 1918	$1890.36
Receipts (Initiation Fees)	400.00
Total	$2290.36
Expenditures	560.33
Balance on hand June 1st, 1918	$1730.03
Balance—Petty Cash on hand	38.28
Cash in Bank	1691.75
	$1730.03
Accounts Receivable	$1200.00
Accounts Payable	None

On motion the Treasurer's report was accepted as read and ordered to be filed.

Secretary: The Secretary reported as follows—

The following members are reporting price information covering contracts, orders and quotations, and to date have filed a total of 1,544 reports, as indicated in the table below:

	Contracts.	*Orders.*	*Quotations*	*Total.*
The Calco Chemical Co.	63	502	227	792
Marden, Orth & Hastings Corp.	32	163	253	448
The Sherwin-Williams Co.	60	11	53	124
Hydrocarbon Chemical Prod. Co.			9	9
E. I. du Pont de Nemours & Co.	42			42
United Piece Dye Works	55	60		115
Dicks, David Co., Inc.		14		14
				1544

The total number of reports filed covers approximately 800 customers. During the month of May there has been three direct exchanges covering similar products sold to the same customer by two members, namely, The Sherwin-Williams Company and the Calco Chemical Company.

The records show that 87 customers have business relations with two or more of the members reporting, and this information has been interchanged daily.

In accordance with resolution passed at the last meeting, each member has been provided with blanks on which to report—

1st—A LIST OF PRODUCTS *now being manufactured*

The following firms have filed this information:

The Sherwin-Williams Co.
E. I. Du Pont de Nemours & Co.
Merrimac Chemical Co.
Naugatuck Chemical Co.
Transatlantic Chemical Co.
Dow Chemical Company.
United Piece Dye Works
Marden, Orth & Hastings Corpn.
The Calco Chemical Co.

This information has been interchanged among members reporting.

2nd—A LIST OF PRODUCTS WHICH THE MEMBERS *are preparing to manufacture.*

This information has been filed by:

The Calco Chemical Company
Marden, Orth & Hastings Corpn.
Transatlantic Chemical Co.

3rd—A LIST OF PRODUCTS WHICH EACH MEMBER *intends or expects to manufacture.*

This information has been filed by:
The Calco Chemical Company
Marden, Orth & Hastings Corpn.
Transatlantic Chemical Co.

The records show that up to the present time there is a total of 202 products reported on.

On motion, the above report was accepted as read.

Attention was called to the importance of members filing their lists of

1st—Products *now being manufactured*

2nd—Products which the members *are preparing to manufacture*

3rd—Products which the members *intend or expect to manufacture.*

Mr. Merz, of the Heller & Merz Company, indicated that their hesitancy in filing a list of products actually manufactured was prompted by the fact that they supplemented their list of manufactured products by other products which they purchased and offered for sale under their own brands, and he felt that the distribution of a list of products manufactured gave competitive salesmen an opportunity to solicit business with the argument that they were direct producers, whereas their competitors were simply distributors of the product made by their own firm.

It struck the counsel that the tendency would be strongly the other way. The tendency would be to support and strengthen the good-will of one another. Certainly the member who sells a product to another for resale has nothing to gain by interfering with the resale; it is to his interest to promote it. The open price plan tends strongly toward finer and better salesmanship; it tends directly toward the elimination of false and prejudicial statements and the suppression of unfair competitive methods.

As an alternative, it was suggested that for the time being those members who hesitated about filing a list of the products they manufacture as distinguished from all the products they sell, file a list of all the products they sell with the statement it is such a list and it be exchanged with the lists filed by other members, but that in such exchanges the secretary will not indicate on any list the products manufactured and the products sold—that is, will not segregate the two. Mr. Merz expressed himself as favoring the filing of such a list, and said he would consider the indication of the products manufactured by his company.

In the discussion it was noticeable that the disposition to file generally all reports had developed materially since the last meeting.

Mr. Poucher told how in England the Government had fostered cooperation and the comparison of products with the view to secure the largest possible results with the least waste of labor and raw material; he pointed out that unless some plan of filing such as suggested were followed, the industry is in no position to even answer a question in Washington intelligently, it is all guess work as to products made, capacities, needs for raw material—need for tariff protection, etc., etc.

Counsel analyzed the report of the Secretary and showed how there had been a material advance in the filing. He told the members they were doing as well as most organizations, and far better than some, considering the time so far spent.

Report of Committees:

Mr. Poucher, reporting for the commitee appointed at the last meeting to cooperate with the committee of the Chemical Alliance, stated that he had talked with Dr. Rees and Dr. Mathews of the Commit-

tee of the Chemical Alliance, and that the Chemical Alliance would be very glad to take up any questions which the members of the Institute had to present to them in connection with establishing any priorities claim for supplies necessary in producing products required for Government work, either directly or indirectly, and Mr. Poucher stated that no member has as yet availed himself of this privilege. Mr. Hyndman, of the Hydrocarbon Chemical Products Company, then asked Mr. Poucher if this applied to the supply of coal as well as intermediates. Mr. Poucher was of the opinion that the Special Committee of the Chemical Alliance (Dyestuff Section) would be very glad to present the situation as regards the coal supply, as well as any other supply which was necessary for the continuance of the manufacture of products which the War Industries Board considered necessary to the prosecution of the war.

The Chairman then called upon Dr. J. Merritt Mathews, Secretary of the Special Committee, Dyestuff Section, of the Chemical Alliance.

Dr. Mathews explained that the Chemical Alliance was formed for the purpose of coordinating the work of the manufacturers of dyes and intermediates in connection with the Government relations or requirements. He also outlined the very serious situation which was now before the manufacturers. He stated that the War Industries Board was confronted with a very serious situation as regards shipping either for export or domestic purposes, and that at present it appeared that the production of dyes and intermediates for commercial use was considered to be non-essential and would be placed upon the non-essential list. Dr. Mathews stated especially that, in his opinion, the exporting of intermediates would be cut off and that only finished dyes would be permitted

as an export product. He also stated that Government requirements for sulphuric acid appeared to be greater than the present production, and that it was not likely that members requiring sulphuric acid for other than direct Government use would be able to obtain same for the manufacture of finished products sold for commercial purposes.

Dr. Mathews also advised that when any member applies for an export license for individual shipments, he be particularly careful to specify exactly the materials exported, as otherwise the license would be returned for specific details. In other words, an application for an export license for "aniline colors" would not pass the board, and such an application would only cause delay to the member and extra work for all concerned.

Then followed a discussion as regards this subject.

The Secretary then submitted a copy of a special form issued by the Government for "Application for place on preference list." This form is numbered "P. L. Form No. 1"—Application for place on Preference List. Copies of this form may be obtained by application to the Priorities Board of War Industries Board, Washington, D. C.

On discussion, it appeared quite impracticable for the members to answer all of the questions on this form with complete accuracy. For instance, it was quite impossible for a member to state positively what percentage of his product was used for direct or indirect Government work. This was particularly true in regard to intermediates.

Mr. Poucher stated that the Government had commandeered a considerable quantity of looms for the production of fabrics required for the army and navy departments, and that therefore the mills formerly producing goods for commercial purposes would neces-

sarily be required to entirely readjust their conditions; consequently, in the case of dyes contracted for, for the production of orders already on hand, such orders would necessarily be either cancelled or delayed, due to Government requirements. However, it was recommended that each member of the Institute write to the Priorities Board of War Industries Board, Washington, D. C., requesting two copies of "Form P. L. No. 1," and that they file their individual replies as promptly as possible.

The discussion of this subject was very thorough, and at the close the following was the unanimous expression of the sense of the meeting:

The American Dyes Industry *as a whole* is an *essential* industry, and it should not be left to each dye manufacturer to establish that his particular operation is essential.

The industry as a whole is essential because the manufacture of dyes is intimately bound up with the manufacture of explosives and chemicals essential to war purposes. Irrespective of the use of any particular dye, the industry must be conserved and encouraged. Never again should this country be dependent upon German or foreign dyes and chemicals.

The growth of the American Dye Industry is the direct outcome of war conditions, and is so affected by war demands that its future is precarious enough without the added burden of being called upon to show that particular dyes are going into Government uses under penalty of being compelled to shut down.

While it is possible for some manufacturers to trace dyes into large Government work, it is obviously impossible for manufacturers to so trace all the dyes and intermediates they make, they simply know what everyone knows, that almost all producers and finishers of silk and cotton and woolen fabrics and other

colored products have large orders from the several departments of the Government. If it should be argued or insisted that a plant cannot have coal or chemicals except for the dyes and intermediates that actually go into Government work, then portions of plants must shut down, to the entire disorganization of the essential parts, thereby increasing the cost of dyes and intermediates needed in Government work and discouraging the industry. The little gained would be far more than counterbalanced by the loss.

It was the sense of the meeting that the industry should be classed as essential, and if for good reasons any particular manufacturer could not show that his particular plant is essential, then the ruling should be against him alone—instead of vice versa, as had been suggested.

It was also recognized that among the vicissitudes and violent changes to which this growing industry in the United States is already subject is the commandeering of a large number of looms for special purposes, or the commandeering of the production of mills producing denims; all of which obligates the mills previously having contracts for special dyes to cancel their obligations and expect a recognition of the cancellation, due to the fact that their production has since been commandeered by the Government for other purposes.

It was also pointed out that the English Government had recognized the importance of the establishment of an industry devoted to the production of dyes and intermediates, all of which was very closely allied to the production of explosives, and in view of the fact that many manufacturers of either dyes or intermediates are absolutely unable to trace or specify for what their products are utilized, either directly or indirectly for Government requirements, it was resolved:

"That the special committee of the American Dyes Institute be requested to make the proper representation outlining the necessity of placing the entire industry of producing dyes and intermediates on the priority list, but at the same time recognizing that individual manufacturers who were unable to claim a place on this list may be excluded, rather than place the industry as a whole on the non-essential list and obligating all members to a reply of the categorical questions (particularly 8, 9 and 10) included on the form for 'Application for place on Preference List'."

Dr. Mathews also pointed out that in the past consumers of export products had complained that the dyes and intermediates produced and sold by American firms were not up to standard or as represented, and it was therefore suggested that a standing committee to be known as a Committee on Grievances should be appointed, it being understood that the services of this Committee be at the disposal of all producers and users who have any grievances with reference to the quality of goods delivered. This matter was left for further discussion at the next meeting.

The Chairman announced to the members present the very sad news that he had learned of the great loss of the President, Mr. Cottingham, in the death of his wife, and, on motion unanimously adopted, the Secretary was especially directed to send a telegram to Mr. Cottingham, as follows:

"The members of the Institute desire to express their deepest sympathy with you in your very great affliction."

Inasmuch as the next regular meeting of the Institute would fall on Wednesday, the 3rd of July, and the day preceding a national holiday, it was announced that the Executive Committee had set the next regu-

lar meeting of the Institute to be held on Wednesday, July 10th. Meeting to be held at the Hotel Biltmore, New York City, as usual. There being no further business, on motion, the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

PLAINTIFF'S EXHIBIT No. 521.

MINUTES OF MEETING
OF
AMERICAN DYES INSTITUTE

July 10th, 1918.

A regular meeting of the American Dyes Institue was held at the Hotel Biltmore, New York City, on Wednesday, July 10th, 1918.

Luncheon was served at 1:00 o'clock, after which the general meeting was called to order by Mr. August Merz, who acted as Chairman in the absence of the President and Vice-President.

The following firms were present and represented as follows:

MEMBERS

The John Campbell Company	Mr. O'Hara
The Calco Chemical Company	Mr. G. A. Berry
Dicks, David Co., Inc.	Mr. R. P. Dicks
E. I. duPont de Nemours & Co.	(Mr. M. R. Poucher (Dr. Chambers (Mr. Patterson
Dow Chemical Co	Mr. J. T. Pardee
Heller & Merz Company	Mr. Aug. Merz
Marden, Orth & Hastings Corp.	Mr. F. M. Fargo
Naugatuck Chemical Co.	Mr. W. Valentine
Hydrocarbon Company	Mr. Bremmer
Grasselli Chemical Co.	Dr. Matthews

NON MEMBERS

Dye Products & Chemical Co....Mr. L. M. Lowenthal
Holliday Kemp Company.....Mr. McGrane
Hellenic Chemical & Color Co..(Mr. Hawtof
(Mr. H. G. Fener
Ault & Wiborg.....Mr. Davis

Counsel, Mr. Arthur J. Eddy, and Secretary, Mr. H. E. Danner, were also present.

Inasmuch as a copy of the minutes of the previous meeting had been mailed to each member, and as there were no corrections, they stood approved, and, on motion, the reading of same was omitted.

The Secretary reported as follows:

SECRETARY'S REPORT

To date reports covering contracts, orders and quotations have been filed as follows:

	Contracts	*Orders*	*Quotations*	*Total*
Calco Chemical Co.	63	605	320	988
Marden, Orth & Hastings	32	311	423	766
Sherwin-Williams Co.	64	34	77	175
Hydrocarbon Chem Prod. Co.			25	25
DuPont de Nemours & Co.	47			47
United Piece Dye Works	55	60		115
Dicks, David & Co., Inc.		28		28
	261	1038	845	2144

The total number of reports filed covers approximately 950 customers.

Among the reports filed during the past month there have been five direct exchanges covering similar products sold to the same customer by two members. The exchanges have been made between the Calco

Chemical Company and the Sherwin-Williams Company; the Calco Chemical Company, and Dicks, David Company, Inc.

To date the following firms have filed the following information:

1st—A List of Products Now Being Manufactured

The Sherwin-Williams Co.
E. I. DuPont de Nemours & Co.
Merrimac Chemical Co.
Naugatuck Chemical Co.
Transatlantic Chemical Co.
Dow Chemical Co.
United Piece Dye Works
Marden, Orth & Hastings Corp.
The Calco Chemical Co.
Dicks, David & Co., Inc.
The Heller & Merz Co.
The Hydrocarbon Chemical Products Co.

2nd—A List of Products Which the Members Are Preparing to Manufacture

Transatlantic Chemical Co.
Calco Chemical Co.
Marden, Orth & Hastings Corp.
Dicks, David Company, Inc.
Hydrocarbon Chemical Products Co.

3rd—A List of Products Which the Members Intend or Expect to Manufacture

Transatlantic Chemical Company
Calco Chemical Company
Marden, Orth & Hastings Corp.
Hydrocarbon Chemical Products Co.

Counsel analyzed the Secretary's report and called attention to the fact that there was a material progress in the Reporting Plan, and he stated that al-

though there were only five direct exchanges (according to the Reporting Plan) during the month previous, this was not unusual, as, in his experience, he had found when statistics were compiled it had developed that direct competitive business was very much less than what the members had been led to believe by reports in the industry.

Counsel also called attention to the reports from members, covering a record of the products which they are now manufacturing, a list of the products which the members are preparing to manufacture, and a list of products which the members intend or expect to manufacture.

He stated it appeared from the Secretary's report that there had been material progress in the number of reports covering the above mentioned items, and this led to a general discussion regarding this subject.

Attention was called to the fact that although twelve (12) members had already filed a list of the products they are now manufacturing (that is, Section 1 of the Secretary's report), these lists simply indicated what products are being manufactured, but did not state the quantities which are being manufactured, or any capacities which the aforesaid members were able to produce.

Mr. Valentine asked if any one present had sold Nitro Benzol at a price lower than 16¢, and it appeared that none of the members present had taken any orders at a price lower than 16¢. Mr. Merz stated that he is a buyer of this material and the last price which he had paid for same was 16½¢.

Mr. Fargo stated that all the reports filed with the Secretary for both the accounts of the Calco Chemical Company, and Marden, Orth & Hastings Corp., were filed by the firm of Marden, Orth & Hastings. Mr. Fargo also expressed disappointment that more members were not reporting all records of Quotations,

Orders, and Contracts, as it was his opinion that there should be more exchanges. He also stated that his prices were advancing.

Mr. Merz reported that at a previous meeting of the Executive Committee the Secretary had submitted a list of products upon which he had received reports from members and that he, Mr. Merz, and Mr. Poucher, had been requested to go over this list for the purpose of recognizing duplications, which would call for an exchange from the Secretary's office, in accordance with the Reporting Plan. Mr. Merz said it was apparent that some of the products were reported under special names, and were, in reality, competing products, but that it was impossible for the Secretary to determine the propriety of an exchange unless some means were found whereby the members would use a common language or index numbers so as to enable the Secretary to recognize duplications or competitive products.

There followed a long discussion, and it resulted in the following resolution being unanimously adopted:

> RESOLVED, That the members will file with the Secretary a list of the products upon which they report price information, and will designate each product by the equivalent number in the "Schultz Table of 1914," and, furthermore, each member who files a product which has no equivalent in said table will advise the Secretary with what other product of a competitor it should be exchanged, whereupon the Secretary will notify the interested parties that unless otherwise advised he will in future exchange price information covering the products named.

Mr. Pardee reported that his firm had offered Indigo direct to a consumer, but had found that he was obliged to sell to this consumer through a broker who acted as a purchasing agent, and that, therefore, his firm was obliged to pay a brokerage fee for the sale

of the product which they would be glad to sell direct. Mr. Poucher stated that there were some firms who purchased all of their supplies through Agents, and that his firm sold such accounts at their regular prices with brokerage charges added.

Mr. Hawtof reported that the Government had refused to allow small samples of dyed goods to be mailed abroad.

Mr. Davis, representing Ault & Wiborg, expressed a keen interest in the work of the Institute, and stated that at the present time his firm were selling their products through a selling organization, and he was uncertain as to how, at the present time, he could participate in the open price plan, but he would give the matter very serious consideration and possibly find some means of reporting on some, if not all, of the products made by Ault & Wiborg.

Mr. Lowenthal called attention to a ticket which he stated was placed on a large number of sweaters offered for sale by B. Altman & Company. This ticket read substantially as follows:

"Color Not Guaranteed on Account of the Dye Situation."

It was the opinion of all present that such a ticket attached to each garment and given such publicity was detrimental to the American Dye Industry. It tended to make the Public lose confidence in American Dyes, many of which were already equal in quality to dyes previously imported. Mr. Poucher stated that in the past, even with imported dyes, Silk Fabrics had never been absolutely guaranteed as to color.

It was thought that this matter should be presented to B. Altman & Company, and any others who were making similar statements in a proper manner, with the idea of soliciting co-operation and help from American Merchants. It was the opinion that if a

firm did not wish to guarantee the color, a ticket stating the fact that they did not guarantee the color was all that was necessary.

Thereupon, on motion, the Chairman was requested to appoint a committee of two to be known as a "Grievance Committee," to whom all such subjects shall be submitted in future, and the Chair then appointed Mr. M. R. Poucher and Dr. J. Merritt Matthews.

Mr. Fargo requested the Secretary to read the following article which appeared in the *New York Sun* under date of June 10th, 1918:

DYE IMPORTERS COMBINE

"Importers of dyestuffs and colors are forming an organization here to protect their interests in the matter of tariffs, etc., The organization is to be composed of the largest firms of the kind in the United States. Plans of domestic dye makers to bring about increased rates of importation of dyes are causing the Importers to combine in an attempt to defeat this purpose.

Walter F. Sykes, of Walter F. Sykes & Co., is mentioned as the first president of the organization, which, it is said, will include among others, A. Klipstein & Co., Walter F. Sykes & Co., and Georgy & Company, of this City, Atteaux & Co., of Boston, and Forstman & Company, of Philadelphia."

Mr. Fargo explained that Manufacturers of American Dyes were in competition with Importers, and he suggested a committee be appointed to obtain information regarding the Imports of Dyes. Mr. Fargo was then appointed a "committee of one," to report further on this subject at the next meeting of the Institute.

Counsel said he had had the pleasure of reading an address delivered by Mr. Poucher at Atlantic City and also several articles on the subject of dyes manu-

facture in this country and England. It seemed to him the address and the articles referred to contained so much information of general interest to laymen that a pamphlet covering the ground should be prepared in convenient form for slipping in envelopes with mail, and that such pamphlet should be generally distributed to Members of Congress and the public. He thought possibly the makers of dyes assumed too much information on the part of the public. The public and Congress are most favorably disposed toward the infant American Dyes industry and if people generally could know what England is doing to build up an English dye industry it would tend to accentuate the present favorable sentiment.

As a result of the discussion started by remarks of Counsel the chair appointed a special committee consisting of Dr. Matthews and Mr. Poucher, to prepare a pamphlet or leaflet along the lines outlined.

The next meeting of the Institute was set for Wednesday, August 7th.

There being no further business, on motion the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED:IF.

PLAINTIFF'S EXHIBIT No. 522.

MINUTES OF MEETING
AMERICAN DYES INSTITUTE

August 7th, 1918.

A regular monthly meeting of the American Dyes Institute was held at the Hotel Biltmore, New York City, on August 7th, 1918.

Luncheon was served at one o'clock, after which

the meeting was called to order by the President, Mr. W. H. Cottingham.

The following firms were present and represented as follows:

Members

The John Campbell Co.	Mr. John Ward
Dicks, David Co. Inc.	Mr. R. P. Dicks
E. I. duPont de Nemours & Co.	Mr. E. V. Patterson
The Heller & Merz Co.	Mr. August Merz
Naugatuck Chemical Co.	Mr. W. Valentine
The Sherwin-Williams Co.	Mr. W. H. Cottingham Mr. W. S. Woodrow
Transatlantic Chemical Corp.	Mr. E. B. Clary
The Grasselli Chemical Co.	Dr. J. M. Matthews

Non-Members

Consolidated Color & Chemical Co.	Mr. H. A. Metz
Butterworth-Judson Corp.	Mr. Clark

Counsel, Mr. Arthur J. Eddy, was also present.

Inasmuch as a copy of the minutes of the previous meeting had been mailed to each member, and as there were no corrections, they stood approved, and, on motion, the reading of same was omitted.

The Treasurer reported as follows:

Treasurer's Report.

July 1st Balance	$963.59
Nothing received	
Expenditures during July	423.12
Balance	531.47

On motion, the above report was accepted as read, and ordered to be filed.

The Secretary reported as follows:

Secretary's Report

The following members are reporting price information covering Contracts, Orders, and Quotations, and to date have filed a total of 2,692 reports, as indicated below:

	Contracts	*Orders*	*Quotations*	*Total*
Marden, Orth & Hastings	95	1264	871	2230
Sherwin-Williams Co.	67	43	97	207
Hydrocarbon Chem. Prod. Co.		1	27	28
E. I. duPont de Nemours & Co.	47		5	52
Dow Chemical Co.	12	8	12	32
United Piece Dye Works	55	60		115
Dicks, David Co., Inc.		28		28
	276	1404	1012	2692

The total number of reports filed covers approximately 1034 customers.

During the month of July there have been only two direct exchanges covering similar products sold or quoted to the same customer.

The lack of direct exchanges is probably due to the inability to identify similar products owing to special trade names, etc., and in this connection the members are reminded that they have been asked to file with the Secretary's office a statement of all of their products, designating each by the equivalent number in the "Schultz Table of 1914."

None of the members have replied to the above request, but it is hoped that such lists will be furnished

at an early date so as to enable the office to determine the propriety of an exchange of price information.

The records show that 134 customers have business relations with two or more of the members reporting.

Counsel called attention to the fact that the Secretary's report showed an increase in the number of members filing price statistics; that is, it was noticed that the Dow Chemical Company were filing information as to prices made on their products.

Mr. Merz stated that he was giving the matter of reporting the most careful consideration and discussing it with his associates, and he had no doubt that in the very near future his Company would begin reporting on certain products.

Attention was called to the fact that although the number of direct exchanges covering competitive business was remarkably small (and probably accounted for by the fact that the Secretary's office was unable to identify similar products until the members filed their lists of products with equivalent numbers in the Schultz Table), it was still a matter of record that among the members filing price statistics, covering a total of 2,692 reports, and 1,034 customers, it was found that only 134 customers have business relations with one or more of these members, which, obviously, in most instances, does not cover the same or similar products.

Then followed a discussion, and the members present were of the unanimous opinion that it would be advisable for each member to file with the Secretary a complete list of their customers' names, which would permit the Secretary to exchange information as to the names of customers who have business relations with one or more members, even though such relations did not over-lap as regards similar products purchased. It was fully explained that such an inter-

change of information would be only among members reporting and covering only such customers' names as were common to other members. Inasmuch as all members were not present, the Secretary was instructed to address a letter to each member, asking if they would file such a list.

Mr. Cottingham, speaking for the Sherwin-Williams Company, stated at once that they would file a list of customers and all other representatives who felt authorized to speak for their companies stated that their companies would file. There were one or two representatives who could not at the moment speak authoritatively for their companies, but said they could see no reason why that information should not be filed.

It was believed that if all members would make a beginning along this very simple line, after the names of customers common to two or more members were interchanged among those members the filing of orders, quotations and contracts would speedily follow.

Mr. Metz indicated his desire to make application for membership in the Institute, and the Secretary was instructed to send Mr. Metz information regarding the operation of the Institute, and it was understood that the firm of Consolidated Color & Chemical Company would be presented for consideration at the next regular meeting of the Executive Committee.

The Secretary was also instructed to address a letter to those members who had not yet filed a list of the products they are now manufacturing and request such list to be furnished for the purpose of interchanging among members reporting.

Report of Grievance Committee—Dr. J. Merritt Matthews.

Dr. Matthews reported that in connection with the ticket which had been placed upon a quantity of

sweaters offered for sale by B. Altman & Company, and which read substantially that "owing to the color situation the garments were not guaranteed as to fastness of color," it was very difficult to take up these matters with any degree of assurance. He said that the fashion shades were made up without any respect to the colors which are now produced successfully in the United States, and it was a fact that there was a lack of direct colors which are fast. He said there was a large merchandising problem of the retailer to be considered, because it had become a custom for retailers to sell their products with either a direct or an implied guarantee, and due to the fact that the foreign dyes were so nearly correct, a retailer could afford to assume the responsibility of replacing faded garments because the percentage of return merchandise was so small; whereas, now, the retailer is not in a position to make the same guarantees.

Mr. Dicks expressed the opinion that, even granting the facts brought out by Dr. Matthews, the buying public was now more exacting than at any previous time.

In this connection the Chairman submitted a letter from John Campbell & Company, to which was attached a ticket taken from a purchase made at Gimbel's. This ticket was stamped as follows:

> "Owing to the dye situation we cannot guarantee against fading or shrinking."

It was pointed out that the quality of the dyes could certainly have no connection with the guarantee as to *shrinking* and it was felt that such advertising was unjustifiable and that retail stores should not take advantage of the situation and prejudice the public with unjustifiable statements.

This lead to the Chairman calling upon Dr. Matthews to report for the Committee appointed as a

Publicity Committee.

Dr. Matthews reported progress and stated that in addition to gathering together information to be put into pamphlet form, as a primer, and to be distributed by the Institute to consumers and the public, it was hoped that it would be possible to educate customers to the necessity of limiting their purchases of colored merchandise to such colors as could be produced successfully.

Dr. Matthews stated that he would get into communication with Mr. Poucher and endeavor to have ready for discussion at the next regular meeting such information and articles as could be printed in a pamphlet and distributed by the members and the Institute. Counsel stated that he would prepare a preface to be printed in the pamphlet.

The Chairman expressed the hope that the Publicity Committee would submit a draft of the suggested pamphlet and send same to all members for their consideration and criticism prior to the next meeting, and Dr. Matthews assured the Chairman that this would be done.

Members were urged to cooperate with Mr. Poucher and Dr. Matthews and furnish any information which they would suggest for the proposed pamphlet.

Dr. Matthews referred to an industry meeting which was held on June 25th, at which meeting

Mr. E. V. Patterson,
E. I. duPont de Nemours & Co.,
New York City,

Mr. T. A. Green,
553 Munsey Building,
Washington, D. C.,

Mr. J. O. Hasson,
The Sherwin-Williams Co.,
Cleveland, Ohio,

were appointed a committee of three to urge upon the War Industries Board the importance and the necessity of establishing the manufacture of dyes and intermediates as an essential industry. This had particular reference to being placed upon the priority list as regards a sufficient supply of coal. He said that it had developed that the Chemical Alliance had been officially recognized and the Government desired to deal with one rather than with a number of different organizations, and that therefore it was apparent that the Committee named above could be of no service in pressing the subject directly to the War Industries Board. Dr. Matthews further stated that the War Industries Board had requested the Chemical Alliance to furnish a complete list of all plants engaged in the manufacture of dyes and intermediates and a list of products manufactured by each, and he earnestly urged manufacturers who were not at the present time members of the Chemical Alliance to join same. The question of priorities is a very important one and no doubt will come up through the Chemical Alliance.

For the benefit of all members, you are advised that Dr. J. Merritt Matthews, 50 E. 41st St., New York City, is the Secretary of the Chemical Alliance Dyestuff and Intermediate Section.

The Chairman suggested the advisability of the practical or operating men of each plant holding regular meetings for the purpose of discussing technical questions. This was in line with a previous recommendation of Mr. Poucher's, who had suggested that the technical men of each plant should attend the regular monthly meetings of the Institute.

The next meeting of the Institute was set for Wednesday, September 4th.

There being no further business, on motion, the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED:IF.

PLAINTIFF'S EXHIBIT No. 523.

MINUTES OF MEETING
AMERICAN DYES INSTITUTE

September 4th, 1918.

A regular monthly meeting of the American Dyes Institute was held at the Hotel Biltmore, New York City, on September 4th, 1918.

Luncheon was served at 1:00 P. M., after which the meeting was called to order by the President, Mr. W. H. Cottingham.

The following firms were present and represented as follows:

MEMBERS

E. I. duPont de Nemours & Co.	Mr. M. R. Poucher Mr. E. V. Patterson
The Heller & Merz Co.	Mr. August Merz
Marden, Orth & Hastings Corp.	Mr. F. M. Fargo
Sherwin-Williams Company	Mr. W. H. Cottingham
The Dow Chemical Company	Mr. J. T. Pardee

NON-MEMBERS

Althouse Chemical Company	Mr. C. Scott Althouse
American Dyestuff Mfrs. Assn.	Mr. Bennett
New York Color & Chemical Co.	Mr. John G. Wardlaw

Counsel, Mr. Arthur J. Eddy, was also present.

Inasmuch as a copy of the minutes of the previous meeting had been mailed to each member, and as there were no corrections, they stood approved, and, on motion, the reading of same was omitted.

The Treasurer reported as follows:

TREASURER'S REPORT

August 1st balance.....	$531.47
Received during August.....	1,800.00
	$2,331.47
Expenditures during August.....	412.67
Balance, Sept. 1st.....	1,918.80

On motion, the above report was accepted as read, and ordered to be filed.

The Secretary reported as follows:

SECRETARY'S REPORT

The following members are reporting price information covering Contracts, Orders and Quotations, and to date have filed a total of 3,195 reports, as indicated below:

	Contracts	*Orders*	*Quotations*	*Total*
Marden, Orth & Hastings	95	1531	1035	2661
Sherwin-Williams Co.	67	49	117	233
Hydrocarbon Chem. Co.		1	27	28
E. I. duPont de Nemours & Co.	105	60	5	170
Dicks, David Co.		28		28
Dow Chemical Co.	12	21	42	75
	279	1690	1226	3195

The total number of reports filed covers approximately 1143 customers.

During the month of August there has been only one direct exchange covering similar products sold or quoted to the same customer.

The records show that 153 customers have business relations with two or more members reporting.

Pursuant to last meeting, the members have been

asked to file a record of their customers so that the Secretary may be able to interchange information when members have customers in common. This list has been furnished by the Sherwin-Williams Company, and E. I. duPont de Nemours & Company. As soon as others file similar lists the Secretary's office will be able to make the necessary exchanges.

The members have also been requested to file a list of their products with the equivalent number in the "Schultz Table of 1914." This list has been furnished by the Sherwin-Williams Company, but no other members have reported.

On motion duly made, seconded, and carried, it was resolved that in future all checks of the Institute should be signed by the Secretary-Treasurer, Mr. H. E. Danner, and countersigned by the Vice-President, Mr. R. C. Jeffcott, or Mr. F. M. Fargo, of Marden, Orth & Hastings Corp., and that a copy of this resolution be forwarded to the bank with which the Treasurer does business, together with the signature of Mr. Jeffcott and Mr. Fargo.

The attention of the Institute has been called to the "Spring Card, 1919," issued by the Textile Color Card Association of the United States, which card had attached thereto a notice to the effect that certain "blue" dyes are not fast, and also a statement that a fast blue dye would be on the market in November, and a still better blue on the market in February, 1919. It also contained language which conveyed a direct impression that the Silk and Woolen Dyers of the Country were using, exclusively, a certain blue dye, namely, Sulphonated Indigo, which is incorrect as a matter of fact; it is therefore—

RESOLVED, That it is the feeling of the Institute that statements of this character are not part

of the work of the Textile Color Card Association; that it is no part of the work of that Association to comment upon dyes that may or may not be used, and certainly it is no part of the work of that Association to announce that particular dyes will come on the market. We believe that, in all fairness to the makers and users of dyes, the statements referred to, which are inaccurate as a matter of fact, should be promptly withdrawn in some suitable manner.

On motion duly made, seconded, and carried, the Secretary was instructed to send a copy of this resolution to the Textile Color Card Association.

On motion duly made, it was resolved that daily quotation bulletins be issued to all members, even to those not reporting regularly, such bulletins to be issued without either the buyers' or sellers' names appearing.

Mr. Poucher, of the Publicity Committee, suggested that a printed bulletin be issued regarding the promotion and maintenance of the American Dye Industry, and that this bulletin be printed by the Institute and furnished to the members.

Reports were then received from members present on conditions prevailing in the industry.

Mr. Wardlaw stated that he had just come in as an "onlooker," with purposes of becoming a member of the Institute.

Mr. Fargo raised the question of containers, which was becoming a matter of importance at the present time. From the statements of various members, it appears that drums are charged to customers at the rate of $15.00 each, and that same are credited on their return. In regard to barrels, they have heretofore been included in the price.

Mr. Poucher stated the practice of the duPont

Company, which was similar to that outlined by Mr. Fargo.

The subject of charges for wooden containers was also discussed, and the practice seemed to be to cover this cost in the charge for contents.

Then followed a discussion in regard to the method of standardization or determining the different strength of dyes. Mr. Althouse stated that it is very desirable to come to an understanding on this question; but it is difficult to set a standard of strength, giving "Congo Red" as an example. Mr. Bennett, representing the American Dyestuff Manufacturers Association, stated that Dr. Matthews, Mr. Merz, Dr. Pierce and several others are taking up the matter of standardization, and that probably something further would be heard regarding this matter in the near future.

The Secretary presented a statement of the dye consumption of twenty-seven members of the Cotton Finishers' Association, which was interesting, and on motion of Mr. Bennett, it was decided to endeavor to get a list of the quantities of the various dyes used before the war, as this information would be most valuable in connection with the statement of dyes and substitutes used since the war.

In regard to the date of the next meeting of the Institute, Mr. Bennett suggested that an industry meeting be called on a day during the week of the Chemical Exposition, September 23rd, 1918. On motion duly carried, a committee consisting of Messrs. Bennett, Fargo, Patterson, and Danner, was appointed to arrange for the next meeting to be held at the Hotel Biltmore on September 26th, at 4:00 P. M., to be followed by a dinner at 6:00 P. M.

In connection with the above meeting, the Secretary was instructed to write to each member of the Institute, suggesting that the technical men are es-

pecially invited to attend the next meeting, and that suitable provisions will be made for them to meet independently.

There being no further business, on motion, the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED:IF.

PLAINTIFF'S EXHIBIT No. 524.

MINUTES OF MEETING
OF AMERICAN DYES INSTITUTE

November 6th, 1918.

A postponed monthly meeting of the American Dyes Institute was held at the Hotel Biltmore, New York City, on November 6th, 1918. Luncheon was served at 1:00 P. M., after which the meeting was called to order by the President, Mr. W. H. Cottingham.

The following members were present and represented as follows:

The Calco Chemical Company	Mr. G. A. Berry
E. I. du Pont de Nemours & Co.	Mr. M. R. Poucher Mr. E. V. Patterson
The Heller & Merz Co.	Mr. August Merz
Frank Hemingway, Inc.	Mr. Frank Hemingway
Marden, Orth & Hastings Corp.	Mr. F. M. Fargo
Merrimac Chemical Company	Mr. S. W. Wilder
The Sherwin-Williams Company	Mr. W. H. Cottingham Mr. W. S. Woodrow
Transatlantic Chemical Corp.	Mr. Wm. Stevenson

The following were present as guests of the Institute:

The National Aniline & Chem. Co.	Mr. W. T. Miller Mr. A. H. Jacoby Mr. S. R. David

Dr. J. Merritt Matthews and Mr. C. C. Bennett arrived late and left before the meeting was concluded.

Counsel Mr. Arthur J. Eddy and Secretary Mr. H. E. Danner were also present.

Inasmuch as a copy of the minutes of the previous meeting had been mailed to each member and as there were no corrections, they stood approved, and on motion, the reading of same was omitted.

The Treasurer reported as follows:

Treasurer's Report

AMERICAN DYES INSTITUTE

September 1st Balance	$1918.80
Received since September 1st	412.08
	$2330.88
Expenditures since Sept. 1st	1070.06
	$1260.82
Accounts payable	None
Accounts Receivable	$1000.00
Certified Chemical Corp.	$200.00
Hydrocarbon Chem. Prod. Co.	200.00
Transatlantic Chem. Corp.	200.00
John J. White Co.	200.00
Adolph Zobel Color Works	200.00

On motion, the above report was accepted as read, and ordered to be filed.

The Secretary reported as follows:

Secretary's Report

The following members are reporting price information covering Contracts, Orders and Quotations, and to date have filed a total of 4,187 reports, as indicated below:

	Contracts	*Orders.*	*Quotations.*	*Total.*
Marden, Orth & Hastings	95	2288	1128	3511
The Sherwin-Williams Co.	70	58	160	288
Hydrocarbon Chem. Prod. Co.		1	27	28
E. I. du Pont de Nemours & Co.	105	60	7	172
Dicks, David & Co.		28		28
The Dow Chemical Co.	12	55	92	160
	202	2500	1414	4187

Attention is called to the fact that only three of the above members, i. e., Marden, Orth & Hastings, Corp., The Sherwin-Williams Company, and the Dow Chemical Company, are reporting a record of their *daily* quotations or orders. This seriously interferes with the exchange of information as provided in the reporting plan.

The total number of reports filed covers approximately 1317 customers.

During the month of September there has been only one (1) direct exchange covering a similar product sold to the same customer and during the month of October there have been four (4) direct exchanges.

The records taken from price quotations show that 170 customers have business relations with two or more of the members reporting. From the independent list furnished by Marden, Orth and Hastings, E. I. du Pont de Nemours & Co., and The Sherwin-Williams Company, combined with the records of quotations or orders on file, we show a total of 1279 cus-

tomers of whom 225 have business relations with two or more members.

In connection with the Secretary's report Counsel called attention to the necessity of more cooperation among the members. He said it is aparent that

Marden, Orth & Hastings Corp.,
The Sherwin-Williams Company,
The Dow Chemical Company,

are reporting their daily quotations, orders and contracts on all materials on which they agreed to file their reports, but that the

Hydrocarbon Chemical Products Co.,
Dicks, David & Co.,
E. I. du Pont de Nemours & Co.,

are not filing records of their daily transactions.

Mr. Poucher stated that he was under the impression that his office was adhering strictly to the reporting plan of the Institute. It appeared from the discussion that the du Pont Company had delegated the work of reporting to parties who also reported to the Institute of Explosives. Counsel explained that the Institute of Explosives was an open price association in the explosive industry, but the reporting plan was entirely different from that of the American Dyes Institute. Mr. Poucher said he would give this his personal attention and instruct his office to report to the American Dyes Institute strictly in accordance with the reporting plan.

Mr. Hemingway advised that he was not aware that his company was not reporting on any of the products which he manufactured, and said he would give this his attention and have his reports filed.

Mr. Cottingham stated that he was reporting all his prices on a limited line of products and he had now decided to report on all his products.

In reference to the "Daily Bulletin" issued from the Secretary's office, it was agreed that same would be of great interest and value if it could be extended to include a record of daily prices of all the members. Special attention was called to the fact that this bulletin is impersonal; that is, it does not give the name of the buyer or seller, but simply tabulates a record of the number of sales or quotations made each day on each product, and the prices obtained or asked. Several present could see no objection to reporting only for this bulletin, but desired to consider the matter further.

On motion Mr. F. M. Fargo was appointed a committee of one to take up this matter and endeavor to induce others to participate so that the daily bulletin may be enlarged and be of the value it properly should.

Then followed a discussion as to the collecting of statistics covering the value of the product in the American Dyes Industry. It was recognized that the industry or any committee from the Industry was at a great disadvantage because apparently no one could state with any degree of authority what the industry represented.

In view of the approaching termination of the war, and the obvious foreign competition which would present itself, it was felt that the industry should be in possession of reliable figures for use of the Government in any legislative acts which might be taken up. It was therefore agreed that each member of the Institute be requested to file with a Certified Public Accountant the following record of their six months' business up to November 1st, 1918:

1—Gross sales of all Intermediates of own manufacture.

2—Gross sales of all Dyes of own manufacture.

3—Gross value of all Intermediates manufactured and used in own business. (The value to be taken at present market prices.)

The detailed information filed with a Certified Public Accountant would be confidential, but the Accountant would compile the information into a record of totals to be used by the Industry in any representations they may have to make to the Government either in connection with Tariff, War Service, or other Government Committees.

In order to make the above information complete, it was agreed that producers of dyes and intermediates, not members of the Institute, be requested to also file similar figures.

The Secretary's report was then approved and ordered to be filed and made a part of these minutes.

The Executive Committee reported the receipt of an application for membership from The Althouse Chemical Company, of Reading, Pa., and stated that they approved of the election of this firm to the Institute, and recommended that under waiver of the By-Laws and Constitution, this firm be elected to membership, and on motion, the Althouse Chemical Company was unanimously elected.

The Committee also called attention to the fact that the United States Chamber of Commerce had called a convention of the War Service Committees of various industries to be held at Atlantic City on December 4th, 5th, and 6th, and recommended that the Institute and the industry be represented at this convention, and suggested that Mr. M. R. Poucher, of E. I. du Pont de Nemours & Company; Dr. J. Merritt Matthews, and Mr. W. T. Miller, of the National Aniline and Chemical Company, be requested to attend this convention.

On motion of Mr. Wilder, seconded by Mr. Wood-

row, the report of the Executive Committee was approved, and Mr. Poucher, Dr. Matthews and Mr. Miller were requested to attend the above mentioned convention.

Publicity Committee

Mr. Poucher reported that Counsel had prepared a semi-popular pamphlet which it was proposed to print for distribution generally. Counsel stated that this pamphlet was in rough form, and would no doubt require some revision by practical men, and thereupon, on motion of Mr. Fargo, seconded by Mr. Patterson, it was resolved to leave the matter in the hands of the Executive Committee and that Counsel proceed with the necessary work of preparing same for final distribution.

Counsel called attention to a recent decision of Judge Morton, of the Federal District Court in Massachusetts, an extract of which is given below and made part of these minutes.

"In the case of the United States v. M. Piowaty & Sons, the Federal District Court in Massachusetts has just held an indictment insufficient under the Sherman Act, which did not plead clearly an unlawful agreement. Judge Morton has the following to say, which is interesting reading in connection with the operation of open price associations:

> "In my opinion, unlawful agreement is the essence of the offense of combination or conspiracy under the Sherman Act. It is what separates what is permitted from what is forbidden. To hold it illegal for persons in the same business and same trade organization, after exchanging information and views, to act in the same way, but independently of each other, on buying, selling, or prices, would extend the scope of the act beyond anything heretofore decided, and beyond its proper meaning, and would cause the greatest confusion and uncertainty."

Mr. Wilder suggested that it would be interesting, if those present would exchange ideas as to their views on the situation after the war. He spoke especially about the possible increase in the supply of Sulphuric and Nitric Acid, due to the curtailment or tapering off of the use of these products in the explosive industries. He also spoke of Benzol and Toluol.

Mr. Miller stated that while he believed there would be a sufficient supply of these products he did not look for any large over-production, and he also expressed the belief that there were no large stocks of chemicals or dyes in Germany which would be imimported after peace was declared. In this connection Mr. Hemingway called attention to a pamphlet entitled:

"AFTER THE WAR—WHAT?"
written by
"A. BARTON HEPBURN,"

and issued by the Chase National Bank.

The Secretary was requested to obtain copies of this pamphlet and distribute same to the members. Counsel also spoke of an interesting publication entitled "Germany's Commercial Grip on the World," by "Henri Hauser."

It appeared from questions put to those present that the plants in the industry were operating to practically full capacity although there was some slowness in placing of business, possibly because of recent peace rumors.

Mr. Poucher expressed his belief that the business after the war would be satisfactory. He based his judgment from the textile industry and stated that in conversation with men in this trade, it was their belief that the textile industry would be brisk, as there would be a large quantity of clothing required

by men who returned from the front, and he was looking forward to satisfactory conditions for at least two or three years.

Mr. Miller expressed his interest in the work of the Institute, and said that his firm was seriously considering membership, but that they were undecided principally because of the question of assessments, which, if made on a pro-rata basis, would result in his company paying more than it reasonably should. On motion, it was decided that the Executive Committee take this matter up with the National Aniline & Chemical Company and endeavor to arrange for an equitable adjustment of expenses of the Institute.

The next meeting was set for Monday, December 9th.

There being no further business, on motion, the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED:IF.

PLAINTIFF'S EXHIBIT No. 525.

A joint meeting of the Executive Committees of the AMERICAN DYESTUFF MANUFACTURERS' ASSOCIATION, INC., and the AMERICAN DYES INSTITUTE was held on Tuesday, January 7th, 1919, in the office of the Association, Room 1007, #21 East 40th St.

PRESENT: Mr. W. H. Cottingham, Pres. of the Institute; Mr. M. R. Poucher, Pres. of the Association; Dr. J. M. Matthews, Mr. C. C. Bennett, Mr. F. Hemingway, Mr. A. Merz and Mr. F. M. Fargo, Jr.

Mr. Cottingham presided and opened the meeting at 11:00 A. M.

Dr. Matthews and Mr. Cottingham discussed the amalgamation of the two organizations, Dr. Matthews being of the opinion that the combination was to rep-

resent an entirely new Institute, whereas Mr. Cottingham's understanding was that the By-Laws of the present Institute were to be changed in accord with the undertaking of the work previously handled by the Association, in conjunction with their own work, which would be incorporated in an Open-Price Division of the new Institute.

Mr. Cottingham read the proposed changes and amendments to the present By-Laws of the Institute.

Dr. Matthews stated that from a recent conversation had with Mr. Wigglesworth of the National Aniline & Chemical Co. he understood that the latter would not go into the Open-Price Division of the new Institute, whereas Mr. Cottingham stated that to his knowledge the National Aniline & Chemical Co. had signified their desire to become members of the Open-Price Division, through their Mr. Miller.

Mr. Merz called attention to the fact that nothing in the suggested amendments covered the Open-Price Division, with regard to its financing, etc., and suggested that they be changed to cover this part of the work, as the amendments as reading at present committed every member who joined the Institute, to the Open Price Section, as well.

Discussion as to the getting up of the budget for the Open-Price Section followed, it being understood that those members who wished to avail themselves of the Open-Price feature would bear the expense of maintaining this division.

Mr. Poucher stated that in his opinion the time was now ripe to send out a joint letter to all the members, putting down the plan of the amalgamation exactly as it is, so that they may understand every detail of the combination, and explaining the two different sections of the new Institute thoroughly, so that there may be no misunderstanding with regard to the financing, etc.

Mr. Poucher suggested that inasmuch as there were only about five members who were really exchanging information in the last few months, it is advisable to find out how many of the members are going to continue to report prices, and how many are not.

Mr. Cottingham expressed the opinion that his firm had found the exchange of prices and information very valuable, and that the more experience they have had with it, the more it has benefitted them in many ways.

During discussion of exchange of trade information, prices, etc., Mr. Poucher called attention to the fact that the Association had gotten up a committee of three accountants to deal with the matter of depreciation of plants, and that the results of such cooperative work are expected to be very beneficial to the Industry. General discussion of this matter followed.

Mr. Bennett and Mr. Cottingham got up a rough schedule of how the proposed budget of $45,000 for the new Institute for the coming year would be made up, allotting to each member of the Institute and Association such subscriptions as was thought they could afford, and naming the annual dues of $250 for such members who could not be expected to pay any more for their membership.

After considerable discussion it was decided to leave the matter to the Budget Committee (composed of Messrs. Poucher, Miller, Fargo and Cottingham) who decided to hold an informal meeting the next day, Wednesday, January 8th, at 10:30, preceding the Annual Meeting of the American Dyes Institute, which was scheduled for 1:00 P. M. at the Hotel Biltmore.

During general discussion of the amalgamation, it appeared to be the understanding that Mr. H. E.

Danner would be retained as Secretary of the Open Price Division of the new Institute.

Mr. Frank Hemingway's report for the Nominating Committee was read.

Discussion of selection of Treasurer in place of Mr. Charles Jenkinson of the National City Bank, was held, and it was decided that it would be desirable to have some officer of the National City Bank in this position, as the latter bank could be of material assistance in supplying valuable information on foreign markets, etc.

Mr. Cottingham, on being nominated for the Presidency of the new Institute, voiced the plea that he be released from this office, inasmuch as he was going to make a few trips to Europe in the near future and did not think he would have the time to devote to this office, which he claimed should be an active one. He stated that he would at all times be glad to help in any way in his power, but that he did not believe he could do justice to the office of President in view of the fact that he would be absent from the country a greater part of the time during the coming year. He suggested that Mr. Jeffcott's name be substituted for his in the Nominations.

Mr. Merz expressed the opinion that Mr. Cottingham's remarks were worthy of consideration, after which they ought to be disregarded, believing that Mr. Cottingham should accept the nomination for President.

Mr. Frank Hemingway stated that it was desirable to have as President some one who was not very closely identified with any big interests, as he claimed in the event that such a man as Mr. Poucher or a member of the National Aniline & Chemical Co. was elected President, the opinion in the trade would be that the duPont's or the National Aniline "were run-

ning the Institute," which would not be very desirable. To put it tersely, he thought it well to have as President someone who had no "axe to grind."

Meeting was adjourned at 12:30.

PLAINTIFF'S EXHIBIT No. 526.

MINUTES OF MEETING
AMERICAN DYES INSTITUTE

January 16th, 1919.

A postponed annual meeting of the American Dyes Institute was held at the Hotel Biltmore, New York, on Thursday, January 16th, 1919, at 1:00 o'clock.

Luncheon was served at 1:00 P. M., after which, in the absence of the President, the meeting was called to order by Mr. W. T. Miller, of the National Aniline & Chemical Company.

The following firms were present and represented as follows:

Beacon Color & Chem. Co.	Mr. E. J. Feeley
Dye Products & Chem. Co.	Mr. L. M. Loewenthal
E. I. duPont de Nemours & Co.	Mr. M. R. Poucher
	Mr. E. V. Patterson
Frank Hemingway, Inc.	Mr. Frank Hemingway
Heller & Merz Company	Mr. August Merz
Marden, Orth & Hastings Corp.	Mr. F. M. Fargo
Naugatuck Chemical Company	Mr. Wm. Valentine
National Aniline & Chem. Co.	Mr. W. T. Miller
	Mr. A. H. Jacoby
	Mr. Baldwin
Sherwin-Williams Co.	W. S. Woodrow
Transatlantic Chemical Corp.	Mr. Stevenson
Grasselli Chemical Company	Dr. J. M. Matthews
Chemical Company of America	Mr. Kendall
Consolidated Color & Chem. Co.	Mr. H. A. Metz

Mr. C. C. Bennett, Secretary of the American Dyestuff Manufacturers Association, and Secretary H. E. Danner also attended.

As this meeting was the postponed annual meeting of the Institute, Mr. Hemingway was called upon to report for the Nominating Committee, and he submitted the following report:

January 16th, 1919.

To: AMERICAN DYES INSTITUTE

Your "Nominating Committee" begs to submit the following report:

1. The merger of the American Dyes Institute and the American Dyestuff Manufacturers Association necessitates some changes in organization and your committee recommends the following plan:

A. A President, who will act as the Chairman.

B. Secretaries, to be selected by the Executive Committee, One Secretary for the Open Price Division of the Institute and the other for the general work of the Institute.

C. Treasurer, a representative of the National City Bank.

D. Counsel Mr. Arthur J. Eddy (Open Price Division).

2. In the place of the two Vice-Presidents, as was the plan followed by the Association, we recommend an Executive Committee of seven with the power to increase their number in case of need.

3. Following the plan of the Association we recommend a Board of Governors which will include the members of the Executive Committee and which will represent in its entirety as many different States as possible with the view to rendering aid, in the time of need, concerning Washington affairs.

To carry out this program your Committee proposes:

President: Mr. Walter H. Cottingham

Secretaries: To be selected by the Executive Committee

Treasurer: Representative of the National City Bank

Executive Committee.

Mr. L. A. Ault, representing The Ault & Wiborg Company

Mr. Frank Hemingway, representing Frank Hemingway, Inc.

Mr. R. C. Jeffcott, representing Marden, Orth & Hastings Corp.

Dr. J. M. Matthews, representing The Grasselli Chemical Company.

Mr. August Merz, representing The Heller & Merz Co.

Mr. W. T. Miller, representing the National Aniline & Chem. Co.

Mr. M. R. Poucher, representing E. I. duPont de Nemours & Co.

Board of Governors.

Mr. C. Scott Althouse, The Althouse Chemical Co.

Mr. B. R. Armour, American Aniline Products, Inc.

Mr. L. A. Ault, The Ault & Wiborg Co.

Mr. R. P. Dicks, Dicks, David Co., Inc.

Mr. B. P. Donnelly, Holland Aniline Company

Mr. Frank Hemingway, Frank Hemingway, Inc.

Mr. R. C. Jeffcott, Marden, Orth & Hastings Corp.

Mr. R. W. Kemp, Holliday-Kemp Company

Mr. G. A. Martin, The Sherwin-Williams Co.

Dr. J. Merritt Matthews, The Grasselli Chemical Company

Mr. August Merz, The Heller & Merz Co.
Mr. W. T. Miller, The National Aniline & Chemical Co.
Mr. J. T. Pardee, The Dow Chemical Company
Dr. E. W. Pierce, Zobel Color Works, Inc.
Mr. M. R. Poucher, E. I. duPont de Nemours & Co.
Mr. G. A. Whaley, John Campbell & Company
Mr. S. W. Wilder, Merrimac Chemical Company

(Signed) FRANK HEMINGWAY,
Chairman.
W. T. MILLER,
M. R. POUCHER.

Mr. Bennett stated he had been advised that the National City Bank had reported they were not prepared to undertake the Treasurership of the Institute, and thereupon Mr. Merz moved that the Nominating Committee substitute the name of Mr. H. E. Danner as Treasurer of the Institute, which was unanimously adopted. Thereupon, on motion, duly made and seconded, it was unanimously adopted that the report of the Nominating Committee be approved and the Secretary was instructed to cast one ballot for the unanimous election, as above indicated.

In connection with the above nominations, it was understood by all present that the nominations for members of the Executive Committee covered the *firm name* rather than individuals and that the firms mentioned have the option of appointing alternatives to represent them at any meeting of the Executive Committee.

Mr. Bennett then suggested that inasmuch as it had been decided to have one Treasurer for the Institute, it would be advisable for his accounts to be audited, after which, any monies he had in the Treasury would be transferred to the Treasurer of the

American of the American Dyes Institute. Thereupon Mr. Hemingway moved that an Auditing Committee of three be appointed to wait upon Mr. Bennett for the purpose of auditing his accounts, and then transfer his balance to the new Treasurer.

This motion being duly seconded and carried the Chairman appointed Mr. Fargo, Mr. Hemingway, and Mr. Patterson as an Auditing Committee of three to audit Mr. Bennett's accounts, after which it was understood that any balance would be transferred to Mr. Danner, as Treasurer of the American Dyes Institute.

Mr. Miller then announced that in connection with the Open Price Plan his firm had decided to report on all products which are being reported upon by any other member and are in competition with the products of the National Aniline & Chemical Company, and he said that these reports would be filed with the Secretary as promptly as possible.

Mr. Fargo reported that he had been requested by a member of the Institute to provide for a Committee to consider matters of dispute between customers and sellers, and he asked for information regarding this point.

Mr. Baldwin thereupon called upon the Secretary, asking him to explain the *Modus Operandi* in the Finishers Association, regarding similar matters. The Secretary then explained that in case of dispute between a buyer and seller it was provided in the operation of the Finishers Association that such matters be submitted to a special committee, as follows:

The President of the Finishers Association appoints one representative; the President of the Convertors Association (customers of the members of the Finishers Association) appoints one representative. These two representatives select a third party,

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who act as a Committee to consider the question in volved. In addition, each party submits either to th Secretary of the Finishers Association or the Secre tary of the Convertors Association his own story which is retranscribed to the Committee of Three, s outlined above, but in no instance is the Committe advised as to the parties involved. In other words the report of the Secretary of either the Finisher Association or the Convertors Association is imper sonal, inasmuch as the Secretary omits all names o identification marks. Therefore, the report that goe to the Committee is impersonal, and the committe makes the report without knowing the name of eithe parties involved.

It was the opinion of the members present tha this matter should be held in abeyance subject to fu ther discussion.

Dr. Matthews suggested that in future it shoul be provided that the discussions of the members i reference to Open Price matters should be distin guished from the discussions of the members of th entire Institute, and he suggested that the Executiv Committee consider this matter in arranging the orde of business at the regular monthly meetings.

The Chairman then introduced Mr. Charles Denby Special Agent for the Government in connection wit trade in China. Mr. Denby made a short address an indicated that from his observation and experience i China he had come in contact with the Dyestuff situa tion, and he stated that from his observation he wa of the opinion that the Dyestuff Manufacturers in th United States were not handling the export trad properly. He strongly recommended that the manu facturers in the United States give particular atte tion to the export trade and study the necessities an requirements of the Foreign consumer. He stated i

particular that the China trade must be handled in a co-operative way rather than in an individual way, and he expressed the opinion that the American Dyestuff Manufacturers could co-operative under the "Webb Law" and meet the requirements of the Oriental market.

On motion duly seconded, it was unanimously carried that a vote of thanks be given to Mr. Denby for his courtesy in attending the meeting and addressing the members.

On motion it was agreed that the next meeting of the American Dyes Institute should be held at the Hotel Biltmore, New York City, on Friday, February 7th, at 1:00 P. M.

There being no further business, on motion, the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED:IF.

PLAINTIFF'S EXHIBIT No. 527.

Minutes of American Dyes Institute, January 22, 1919.

Note: Same as Plaintiff's Exhibit No. 26 and not reprinted here. (See Record, Exhibits, Volume I, page 81.)

PLAINTIFF'S EXHIBIT No. 528.

MINUTES OF MEETING
AMERICAN DYES INSTITUTE

February 7th, 1919.

A regular monthly meeting of the American Dyes

Institute was held on Friday, February 7th, 1919, at the Hotel Biltmore, New York City.

Luncheon was served at one o'clock.

The meeting was called to order at two o'clock by the President, Mr. W. H. Cottingham.

The following firms were present and represented as follows:

Althouse Chemical Company	Mr. C. S. Althouse
American Aniline Products, Inc.	Mr. P. Nobbe
John Campbell Company	Mr. C. H. Jones
Chemical Company of America	Mr. Chas. Kendall
Consolidated Color & Chemical Co.	Mr. H. A. Metz
Dicks, David Co., Inc.	Major B. F. Welton
Dow Chemical Company	Mr. J. T. Pardee
	Mr. G. L. Camp
E. I. duPont de Nemours & Co.	Mr. M. R. Poucher
	Mr. E. V. Patterson
	Mr. Gregg
	Judge Laffey
Dye Products & Chemical Co.	Mr. L. M. Loewenthal
Essex Aniline Works, Inc.	Mr. P. Kent, Jr.
Grasselli Chemical Company	Dr. J. M. Matthews
The Heller & Merz Company	Mr. August Merz
	Mr. Robinson
Merrimac Chemical Company	Mr. S. W. Wilder
National Aniline & Chem. Co., Inc.	Mr. Wigglesworth
	Mr. Barrows
	Mr. Jacoby
	Mr. Kalish
	Mr. W. T. Miller
Naugatuck Chemical Co.	Mr. Valentine
Rector Chem. Co.	Mr. Marx Hirsch
The Sherwin-Williams Co.	Mr. W.H. Cottingham
Transatlantic Chemical Corp.	Mr. E. B. Clary

The following were also present:

Mr. Ramsay Hoguet, and Mr. Joseph H. Choate, Jr., representing the Alien Property Custodian.

Lieutenant Jones, representing the War Trade Board.

Counsel, Mr. Arthur J. Eddy, and Secretaries, Mr. C. C. Bennett and H. E. Danner, also attended. (Mr. Danner acted as recording Secretary.)

Inasmuch as the minutes of the previous meeting had been sent to each member and there were no corrections, on motion, the reading of same was omitted.

Mr. Poucher, reporting for the Executive Committee, requested the Secretary to read a written report, a copy of which is given below and forms a part of the minutes of this meeting:

> Report of Special Committee of the Executive Committee to the American Dyes Institute in the matter of conferences with the Alien Property Custodian concerning the proposal to acquire enemy owned patents.
>
> * * * * * * * * *
>
> Since our last monthly meeting, a matter has been brought to the attention of the Executive Committee by the Alien Property Custodian, which vitally concerns the chemical industry of the United States and particularly the new dyestuff industry. The proposal concerns the taking over of all enemy owned U. S. patents for dyes, intermediates, pharmaceuticals and other chemicals. The underlying idea of the Alien Property Custodian is to assist these new branches of the chemical industry in this country, by placing all of these enemy owned patents in the hands of a trustee for the benefit of the entire industry. It is proposed that the various branches of the chemical industry in this country come together and join in the formation

of a company that would act as the owning and licensing company for all these patents.

Your Executive Committee appointed a sub-committee to confer with the Alien Property Custodian. This committee met at the Custodian's office in Washington on Monday, January 27th. Owing to illness, Mr. A. Mitchell Palmer, Alien Property Custodian, was unable to be present; his office, however, was represented by Joseph H. Choate, Jr., Ramsay Hoguet, Mr. Horn, and Mr. Ferry. A meeting was held in which the views of the committee and their counsel were presented in response to interrogatories propounded by those representing the Alien Property Custodian. It was the conclusion of the meeting that it is not only desirable but necessary to the successful prosecution of the dye industry in the United States, that the right to use German owned patents, which the Alien Property Custodian was authorized to take over and sell, be acquired and held under some plan which will enable all interested manufacturers to acquire non-exclusive personal licenses and to use the same upon equal terms, provided always, the price to be paid therefore is fair and reasonable. It was the conclusion of the meeting that a private sale by executive order is preferable to a public sale. It was also the conclusion of the meeting that in addition to the patents relating to the dye industry, it was desirable to concentrate all chemical patents into the hands of one Holding Company. The question of price is to be taken up with the Appraising Committee appointed to advise with the Alien Property Custodian in the matter of prices on property taken over and sold by the Custodian. It was also informally agreed by the members of the committee, that the members of the Dye Institute finance the cost of searching the titles to the patents in question until a Holding Company is

formed, and assist the Alien Property Custodian in determining the question of enemy owned ownership and the scope of the proposed sale. After considering the matter carefully, conferring with representatives of the Alien Property Custodian in New York, the committee recommended the formation of a corporation, to the capital of which any member of the Institute or other chemical associations is eligible to subscribe, the subscriptions to the stock to be represented by a preferred stock paying 7% dividend and the common stock to be issued to such persons and placed under such restrictions by way of a voting trust or otherwise, as may seem expedient to the representatives of the organizations and companies concerned and to the Alien Property Custodian, to insure the administration of the corporation along the lines directed. The proposed corporation will purchase from the Alien Property Custodian, at a reasonable price to be agreed upon, all of the enemy owned U. S. Patents relating to dyes, intermediates, pharmaceuticals, chemicals and chemical apparatus, and will issue licenses at a uniform and low rate of royalty to applicants who can demonstrate their thorough Americanism. The license fee received by the corporation will be used first, for the operating expenses of the corporation, including the necessary litigation, and second, to retire the preferred stock. After the preferred stock is retired, the license fee will be reduced, so as to provide only sufficient funds to take care of the operating expenses of the corporation.

In conclusion it might be stated that the members of the committee offered to the Alien Property Custodian the services of their respective patents counsel, gratis, and the committee asks for the cooperation of the patents counsel of the members generally in this work. Each member of the Institute will shortly be asked to signify the amount of his subscription to the

capital of the proposed corporation and it is hoped and desired that every member of the Institute will participate.

Pursuing the matter a step further, your committee had a conference with the Executive Committee of the Manufacturing Chemists Association in company with Mr. J. H. Choate, Jr., and Mr. Ramsay Hoguet, representing the Alien Property Custodian. The result of this conference was a resolution endorsing the plan and promising cooperation.

Respectfully submitted,

THE COMMITTEE,
(M. R. POUCHER,)
Chairman.

Judge Laffey, Mr. Hoguet, and Mr. Choate supplemented the above report, and in reply to questions directed to them, explained legal and practical matters in reference to the carrying out of the plan.

The long discussion resulted in the following motion being unanimously adopted:

RESOLVED—

That the report of the Executive Committee be approved and that the Executive Committee be empowered to enter into negotiations and take whatever steps are necessary to carry out the recommendations contained in the report.

Following the above resolution, and as an earnest of their intention to subscribe and become stockholders in the proposed holding Company the following members there and then signed a subscription memorandum as follows:

The Sherwin-Williams Co., Walter Cottingham	$100.00
Rector Chemical Co., Marx Hirsch	100.00
Althouse Chemical Co., C. Scott Althouse	100.00

American Aniline Products, Inc., Paul Nobbe		$100.00
Chemical Company of America, C. Kendall		100.00
Consolidated Color & Chem. Co.,	H. A. Metz	100.00
Central Dyestuff & Chem. Co.,	H. A. Metz	100.00
H. A. Metz Laboratories, Inc.	H. A. Metz	100.00
The Dow Chem. Co., J. T. Pardee		100.00
Dicks, David Co., Inc., B. F. Welton		100.00
Dye Products & Chem. Co., Clarence K. Simon		100.00
Essex Aniline Works, Inc., P. Kent, Jr.		100.00
Grasselli Chem. Co., J. M. Matthews		100.00
The Heller & Merz Co., August Merz		100.00
National Aniline & Chem. Co., Inc., Wm. Miller		100.00
Merrimac Chem. Co., S. W. Wilder		100.00
E. I. duPont de Nemours & Co., M. R. Poucher		100.00

The representatives of the following firms stated they would discuss the matter with their firm and advise later:

John Campbell Company,
Naugatuck Chemical Company,
Transatlantic Chemical Corp.

Lieut. Jones, representing the War Trade Board, was then introduced. He said the War Trade Board were compiling price statistics which would be of value to the Tariff Commission. A certain number of Crudes, Intermediates, and Coal-Tar Dyes had been selected and it was the purpose to collect and tabulate a record of average prices for the years 1913 to 1918, inclusive. He said further he had seen a number of manufacturers in person who were quite willing to cooperate and furnish information; and at the suggestion of Mr. Bennett, he came to this meeting to solicit the cooperation of all members of the Institute.

The members present assured Lieut. Jones of their readiness to furnish him with their prices, and thereupon each member was handed a questionnaire and

requested to mail same to the Secretary, 320 Broadway, N. Y. City, who would forward same to Lieut. Jones.

The Chairman announced that the Executive Committee had prepared and authorized the printing of a Pamphlet which would be the beginning of a publicity campaign, the purpose of which is to educate the public concerning American Dyes. The pamphlets will be distributed by the Institute, and if any member should desire extra copies for his own use he will communicate with the Secretary.

The Chair also announced that the Secretary of Commerce had appointed Mr. Henry Wigglesworth a special trade commissioner to go to Europe, and report on conditions in the Chemical and Dyestuff Industry. Mr. Wigglesworth replied and stated he was going as the representative of the Government and all his reports would be made direct to the Department of Commerce. He also said it was intended to develop a closer cooperation between the Department of Commerce and those engaged in the Industry, and while he could not undertake to report or reply to any inquiries except those of the Secretary of Commerce, it would be very desirable to receive suggestions especially in regard to Dyestuffs. To this end he recommended that the Institute appoint a committee to cooperate with the Department of Commerce and forward any such suggestions or recommendations to the Department.

On motion it was unanimously

RESOLVED—

That the American Dyes Institute desires to express its approval of the appointment of Mr. Henry Wigglesworth by the Secretary of Commerce, as a special trade commissioner to go to Europe in connection with the study of conditions in the Chemical and Dyestuff Industry.

It was further

RESOLVED—

That the Chairman appoint a committee of three to cooperate with the Department of Commerce and forward to the Secretary of Commerce any suggestions to be made by the Institute.

It was further

RESOLVED—

That the Secretary be directed to forward a copy of the above resolutions to the Secretary of Commerce.

Mr. Wigglesworth also stated that he anticipated his reports to the Secretary of Commerce would very likely be given to the public at the discretion of the Department.

In reference to the resolution directing the Chairman to appoint a committee of three to cooperate with the Department of Commerce, the Chair appointed the following members:

Mr. R. C. Jeffcott,
Mr. W. T. Miller,
Mr. M. R. Poucher.

The Secretary reported as follows:

The following members are reporting price information covering Contracts, Orders and Quotations, and the information filed since the Secretary's last report is as follows:

	Contracts	*Orders*	*Quotations*	*Total*
Marden, Orth & Hastings Corp	0	297	184	481
Sherwin-Williams Co.	2	39	100	141
Hydrocarbon Chem. Prod. Co.	0	0	0	0

	Contracts	*Orders*	*Quotations*	*Total*
E. I. duPont de Nemours & Co.	0	356	297	633
Frank Hemingway, Inc.	0	0	9	9
Dicks, David Co., Inc.	0	199	43	242
Dow Chem. Company	0	10	48	58
Certified Chem. Corp.	0	0	0	0
	2	901	681	1584

The total number filed to date is 6951, as indicated below:

Marden, Orth & Hastings

	Contracts	*Orders*	*Quotations*	*Total*
Corp	95	3037	1611	4743
Sherwin-Williams Co.	74	127	291	492
Hydrocarbon Chem. Prod. Co.	0	1	27	28
E. I. duPont de Nemours & Co.	105	416	315	836
Frank Hemingway, Inc.	0	1	9	10
Dicks, David Co., Inc.	0	311	208	519
The Dow Chem. Co.	12	85	224	321
Certified Chem. Corp.	1	1	0	2
	287	3979	2685	6951

The total number of reports filed covers approximately 1971 customers, of whom 365 have business relations with two or more of the members reporting.

Since the Secretary's last report there have been five (5) direct exchanges covering similar products quoted to the same customer and six (6) direct exchanges covering similar products sold to the same customer. Only one of the above quotations resulted in an order.

The above report was accepted as read and ordered to be placed on file.

Attention was called to the fact that the President, Mr. W. H. Cottingham, was sailing for Europe on the following day, and all joined in wishing him a safe voyage.

The next meeting of the Institute was set for Friday, March 7th, 1919, to be held at the Hotel Biltmore, New York City, at 1:00 P. M.

There being no further business, on motion, the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED:IF.

PLAINTIFF'S EXHIBIT No. 529.

An Executive Committee meeting of the AMERICAN DYES INSTITUTE was held on Monday, February 17th, 1919, at the office of the Institute, Room 1007, #21 East 40th Street, New York City, at 3 P. M.

Present: C. Cyril Bennett, Secretary; Mr. M. R. Poucher, Dr. J. M. Matthews; Mr. August Merz, Mr. Baldwain (Natl. Anil. & Chem. Co.) and Mr. Gregg of the Du Pont Co.

The chief matter under discussion was the formation of THE CHEMICAL FOUNDATION INCORPORATED.

Mr. Poucher briefly outlined the facts concerning the stock, subscriptions, etc.

Mr. Gregg read the draft of the Certificate of Incorporation.

Mr. Bennett went through the list of the membership of the Institute, assigning to each member present, a number of concerns whom they are to interview relative to obtaining their subscriptions to the stock of the CHEMICAL FOUNDATION, INCORPORATED.

Mr. Poucher stated that the formation of this company would materially aid in putting through the proposed import license measure.

Meeting adjourned 4:30 P. M.

PLAINTIFF'S EXHIBIT No. 530.

A meeting of the Executive Committee of the American Dyes Institute was held on Friday, February 28th, 1919, at 2 P. M. in Room 1007, #21 East 40th Street, New York City.

Present: C. Cyril Bennett, Secy., Mr. H. E. Danner, Treas., Mr. M. R. Poucher, Mr. F. M. Fargo, Jr., Dr. J. Merritt Matthews, Mr. August Merz and Mr. W. T. Miller.

The Membership Applications of the Rector Chemical Co. Inc. and Atlantic Dyestuff Co. were recommended for acceptance, to be brought before the meeting of the Institute to be held on March 7th.

The resignation of the Beacon Color & Chemical Co. was recommended for acceptance, to be brought before the meeting of the Institute to be held on March 7th.

The matter of the invitation from The National Foreign Trade Council to appoint delegates to participate in the Sixth National Foreign Trade Convention to be held at The Congress Hotel, Chicago, Ill., April 24th to 26th, was discussed, and it was decided to invite Mr. Hilton of the Ault & Wiborg Co. and Mr. Martin of the Sherwin-Williams Co., to attend the Convention. The matter to be again brought up at the meeting on March 7th.

The matter of subscriptions to the stock of The Chemical Foundation, Inc., was discussed, and Mr. Poucher informed the Committee of the subscriptions received to date.

The Treasurer's report showed that to date twenty-one members had remitted their $250 dues and that The Ault & Wiborg Co. had paid their assessment of $2750.

Discussion of the method of collecting the proposed assessments was held, but no definite course decided upon.

The Committee expressed the desire that the Accounting Committee meet at any early date, with the view to acquainting the members of the Institute with their recommendations on the subject of amortization and obsolescence, and the Secretary advised that he would endeavor to arrange a meeting for next week.

Meeting adjourned at 4:00 P. M.

PLAINTIFF'S EXHIBIT No. 531.

MINUTES OF MEETING
AMERICAN DYES INSTITUTE

March 7th, 1919.

A regular meeting of the American Dyes Institute was held at the Hotel Biltmore, New York City, on Friday, March 7th, 1919.

Luncheon was served at 1:00 P. M., after which the meeting was called to order by Mr. August Merz of the Heller & Merz Company.

The following were present:

American Aniline Products, Inc.	Mr. Paul Nobbe
Butterworth-Judson Corp.	Mr. Wm. H. Clark Mr. McIntosh
Consolidated Color & Chem. Co.	Mr. H. A. Metz
Dicks, David Co., Inc.	Major B. F. Welton
E. I. duPont De Nemours & Co.	Mr. M. R. Poucher Mr. E. V. Patterson Mr. H. G. Stephenson Mr. Gregg
Dye Products & Chem. Co.	Mr. Lowenthal Mr. C. K. Simon

Essex Aniline Works, Inc.	Mr. Phineas Kent, Jr.
Grasselli Chem. Co.	Dr. J. M. Matthews
	Mr. Cashman
The Heller & Merz Co.	Mr. August Merz
Marden, Orth & Hastings Corp.	Mr. F. M. Fargo
Merrimac Chem. Co.	Mr. S. W. Wilder
National Aniline & Chem. Co.	Mr. W. T. Miller
	Mr. A. H. Jacoby
Naugatuck Chem. Co.	Mr. Wm. Valentine
Sherwin-Williams Co.	Mr. J. O. Hasson
Transatlantic Chem. Co.	Mr. Stevenson

Mr. Chatfield and Mr. Nugent, representing the War Trade Board were also present.

Counsel, Mr. Arthur J. Eddy, and Secretaries, Mr. C. C. Bennett and Mr. H. E. Danner, also attended.

Inasmuch as a copy of the minutes of the previous meeting had been sent to all members and there were no corrections, on motion, the reading of same was omitted and they stood approved.

Secretary reported as follows:

Secretary's Report

The following members are reporting price information covering Contracts, Orders, and Quotations, and the information filed since the Secretary's last report is as follows:

	Contracts	*Orders*	*Quotations*	*Total*
Marden, Orth & Hastings Corp.		190	216	406
Sherwin-Williams Co.		239	48	287
E. I. duPont de Nemours & Co.		349	441	790
Dicks, David Co., Inc.		128	82	210
Dow Chemical Company	1	10	41	52
	1	916	828	1745

The total number filed to date is 8,796, as indicated below:

Marden, Orth & Hastings Corp.	95	3227	1827	5149
Sherwin-Williams Co.	74	366	339	779
Hydrocarbon Chem. Prod. Co.	0	1	27	28
E. I. duPont de Nemours & Co.	105	865	756	1726
Frank Hemingway, Inc.	0	1	9	10
Dicks, David Co., Inc.	0	439	290	729
Dow Chemical Co.	13	95	265	373
Certified Chem. Corp.	1	1	0	2
	288	4995	3513	8796

The total number of reports filed covers approximately 2,181 customers, of whom 376 have business relations with two or more of the members reporting.

Since the Secretary's last report there have been 18 direct exchanges covering similar products quoted to the same customer, and 12 direct exchanges covering similar products sold to the same customer. None of the above quotations resulted in an order.

On motion, the above report was accepted as read.

The Chairman then introduced Mr. Chatfield, and Mr. Nugent, representing the War Trade Board, who explained briefly the desire of the War Trade Board to co-operate with American industries. They spoke of radical measures necessary during the war, in respect to shipping both for export and import. Now that the necessity of shipping and transporting only those things necessary to the prosecution of the war was being relieved, the Board was receiving many applications for import licenses. They spoke particularly of applications for licenses to import Swiss Dyes, which at the present time were held in suspense be-

cause of a belief that they were manufactured from German intermediates.

It was pointed out that the Board were desirous of doing that which was best for the Color Industry in this country, but in order to do this they suggested the cooperation of practical and fair-minded men to the end that the Board may receive reliable and dependable information as to the manufacture of Swiss Dyes, it being the desire of tne War Trade Board to ascertain definitely, if possible, whether or not these Dyes were manufactured in whole or in part from German intermediates.

A long discussion followed, and, on motion of Mr. Miller, seconded by Mr. Poucher, it was resolved that the Chair appoint a committee of three to cooperate with the War Trade Board in the matter of importation of Swiss Dyes.

On motion of Mr. Miller, seconded by Mr. Lowenthal, it was further

Resolved—That the committee to be named should be prepared to go to Washington with Mr. Nugent on Sunday evening and consult with the War Trade Board as to how the committee could be of practical assistance to the War Trade Board.

The Chair then appointed Messrs. W. T. Miller, F. M. Fargo, Jr. and August Merz, as a committee of three to cooperate with the War Trade Board in the matter of importation of Swiss Dyes.

On motion of Mr. Miller, duly seconded, a unanimous vote of thanks was extended to Mr. Chatfield and Mr. Nugent for their courtesy in appearing at the meeting, and for their suggestions.

The Executive Committee reported that copies of pamphlet No. 1 had already been mailed to the consumers represented in the Dyeing and Finishing Industry; also to the consumers represented in the Garment Association, and it was proposed that the Sec-

retary would further distribute these pamphlets to members of

The National Wholesale Dry Goods Ass'n.,
The National Retail Dry Good Ass'n.,
The National Clothiers Association,
The Southern Wholesale Dry Goods Association,

and possibly other bodies representing consumers of Dyestuffs.

It was also announced that the Secretary would forward to each member of the Institute 50 copies, and that additional copies could be obtained from the Secretary, if required.

Announcement was also made of the receipt of a resignation from the Beacon Color & Chemical Company, of Boston, Mass. The Executive Committee recommended the acceptance of this resignation, and on motion, the resignation of the Beacon Color & Chemical Company was received.

The following applications for membership were also reported:

Rector Chemical Company, Inc., New York City.
Atlantic Dyestuff Company, Boston, Mass.

The above applications had been acted upon by the Executive Committee and the firms were recommended for election. On motion, duly seconded, the Secretary was instructed to cast one ballot for the unanimous election of the above mentioned firms to membership in the American Dyes Institute.

Report of the Trade Committee—Mr. Fargo, Chairman.

Mr. Fargo reported that subsequent to a meeting of the Trade Committee on December 18th, 1918, the Committee had written to the members of the Institute as follows:

> "Your Trade Committee sees the necessity of the adoption of uniform terms by reason of the

fact that it is very possible to use terms which include either unusually large cash discounts or long time for payment, as a means of cutting prices, which would inevitably lead to a wide variation in terms, and would certainly lead to large buyers dictating, in many cases, the terms under which they would buy.

"It is certainly most desirable for purposes of accounting, collection and uniformity of practice, that we have among the members of this Association, terms which are uniform or as nearly so as can be definitely agreed upon."

In the above letter they had proposed uniform terms, and had requested the members to advise as to their attitude. The members had responded and in general had approved of the uniform terms suggested, and, therefore, Mr. Fargo offered the following resolution:

"*Resolved*—That it is the sense of this Institute that all buyers, large and small, should be treated on a footing of equality in the matter of terms and conditions of sale, and that all unfair discrimination between buyers should be discontinued; therefore, it is recommended that members of the Institute and all manufacturers of Dyes and Intermediates adopt uniform terms of 30 days net or 1% discount ten days from date of invoice; that these terms apply to each and every sale and invoice, with the exception of cases where the customer has in force rules for payment of merchandise invoices, such as '10th of month following purchase' or '15th of the month following purchase,' and where such rule is an old and well established practice, which can hardly be discontinued or varied from without very considerable inconvenience and extra accounting expense."

There followed a long discussion, after which, on motion, the above resolution was adopted.

As it was apparent from the discussion that while

the members present all had standard terms, they, at the same time, granted exceptions to same, and furthermore, inasmuch as a number of the members of the Institute were not present, and for the sake of accuracy and a clear understanding as to what terms were being given by each member, the Secretary was instructed to send a copy of the above resolution to each member and inquire if the member would be willing to report to the Secretary any variations he made to the above mentioned terms, it being understood that this was in no way connected with the Open Price Plan, and that the reports would be filed without naming the products or the prices.

It was further understod that those who did file this information would receive like information covering competitors' reports.

The Treasurer reported as follows:

February 1st, 1919, Balance	$6578.60
Income During February, 1919	15400.00
Total	$21978.60
Expenditures	8028.09
Balance on hand March 1st, 1919	$13950.51

The Secretary announced receipt of an invitation from the National Foreign Trade Council, inviting the Institute to appoint a delegate to participate in the Sixth National Foreign Trade Convention to be held in Chicago, on April 24th, 25th, and 26th.

In reference to the above, the Executive Committee had asked Mr. Hilton of the Ault & Wiborg Company, and Mr. Martin of the Sherwin-Williams Company, to represent the Institute.

The following proposed amendments to the By-Laws and Constitution, which had been sent to each member, were unanimously adopted.

Proposed Amendment to Article III of the Constitution

Article III

Officers

SECTION 1. The officers shall be a President, a Treasurer and one Secretary for the Open Price Division of the Institute, and one Secretary for the General Work of the Institute.

The selection of the Secretaries, together with their compensation, shall be named by the Executive Committee, subject to the approval of the Institute; the Executive Committee may in its discretion combine the work of the two Secretaries in the office of one Secretary.

SECTION 2. There shall be an Executive Committee consisting of the President and seven members.

The Executive Committee shall have power to increase its number.

The Executive Committee shall have the selection of the Secretary or Secretaries, the fixing of their compensation and also the retaining of counsel at such compensation as may be agreed upon—all subject to the approval of the Institute.

SECTION 3. A Board of Governors, which will include the members of the Executive Committee, and will represent as nearly as possible as many different states, and as many different branches of the Industry as possible. The Board of Governors will name the members of the Executive Committee and unless otherwise provided by resolution of the Institute, or the Board of Governors, the members of the Executive Committee and the members of the Board of Governors will hold office for one year or until their successors are appointed.

Proposed Amendment to Sec. 2 of the By-Laws

SECTION 2. *Board of Governors.* It shall be the duty of the Board of Governors to name the members of the Executive Committee, and perform such other duties as may be assigned to them by the Institute.

Proposed Amendment to Section 4 of the By-Laws

SECTION 4. *Secretary.* It shall be the duty of the Secretary to keep a careful record of the transactions of the Institute and of the Executive Committee, to notify all members at least five days in advance of the times and places of all meetings, to examine all bills and countersign all orders on the Treasurer, to conduct correspondence, to collect information contemplated in the constitution and reporting plan, and to perform such other duties as may be assigned to his office.

In the event two Secretaries are named by the Executive Committee, it shall be the duty of one Secretary to perform such duties in connection with the Open Price Division as may be assigned to his office by Executive Committee or the Institute, and it shall be the duty of the second Secretary to perform such general and other duties as may be assigned to his office by the Executive Committee or the Institute.

Proposed Amendment to Section 5 of the By-Laws

SECTION 5. *Executive Committee.* The Executive Committee shall have the management of the affairs of the Institute, and, subject to the approval of the Institute, fix the dates and amounts of assessments. They shall also, subject to the approval of the Institute, fix the compensation and terms of employment of the Secretary or Secretaries, employ counsel, and provide for such other expenditures as may be necessary.

The next meeting of the Institute was set for

Friday, April 4th, to be held at the Hotel Biltmore, New York City, at 1:00 P. M.

There being no further business, on motion, the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED:IF

PLAINTIFF'S EXHIBIT No. 532.

A meeting of the Executive Committee of the American Dyes Institute was held on Friday, March 14th, 1919, in Room 1007, #21 East 40th Street, New York City.

Present: Mr. C. Cyril Bennett, Secy., H. E. Danner, Treas., Dr. J. Merritt Matthews, Mr. August Merz, Mr. F. M. Fargo, Jr., Mr. W. T. Miller and Mr. M. R. Poucher.

Meeting opened at 10:30 A. M.

The matter under chief discussion was The Chemical Foundation Incorporated.

It was decided to send Night Letters (confirmed by mail) to all the subscribers to the stock of The Chemical Foundation Incorporated, asking payment of 60% of the subscription, and the Secretary was instructed to do so.

Pending decision of the subscription of The National Aniline & Chemical Company the meeting was adjourned at 12:00 o'clock until 4 P. M.

A 4 P. M. the subscription list was added up and showed a total subscription of $462,500 to which The National Aniline & Chemical Co. added $37,500, making a total of $500,000 the capitalization amount.

The National Aniline & Chemical Company reported their willingness to underwrite to the extent

of $37,500 with the understanding that later on they would be willing to discuss adjusting this sum with any other member who cared to either increase or decrease the amount of their subscription.

Meeting adjourned at 5 P. M.

PLAINTIFF'S EXHIBIT No. 533.

A meeting of the Executive Committee of The American Dyes Institute was held on Friday, March 21st, 1919, in Room 1007, #21 East 40th Street, at 2 P. M.

Present: C. Cyril Bennett, Secy., H. E. Danner, Treas., Dr. J. M. Matthews, Mr. M. R. Poucher, Mr. August Merz and Mr. W. T. Miller.

Mr. Poucher moved that The American Dyes Institute become members of the U. S. Chamber of Commerce. Seconded by Mr. Miller, and carried.

Mr. Bennett advised the Committee that Mr. Nugent of the War Trade Board wished someone to go down to Washington with regard to the matter of importation of Swiss dyes.

Mr. Miller informed the Committee that he anticipated going to Washington next week, and he was requested to take up the matter with the War Trade Board. He stated that he would do so.

Mr. Bennett called the attention of the Committee to the fact that he had mailed to all members of the Institute, bills for their respective Assessments, and gave each member of the Executive Committee his respective bill, requesting that payment of same be made promptly, in view of the shortage of funds on hand.

Mr. Danner informed the Committee that Mr.

Choate (of Alien Property Custodian's office) suggested having an officer of the Institute entrusted with the keeping of the subscriptions, as he preferred not to do so. (Subscriptions to Chemical Foundation, Inc.)

Mr. Miller moved that a list of the patents purchased by The Chemical Foundation, Inc., be sent out to prospective subscribers, with the view to securing additional subscriptions. Seconded by Mr. Poucher, and carried.

Mr. Danner called the attention of the Committee to recent correspondence with The Sherwin-Williams Co. re the latter's advance of $1000.00 towards the operating expenses of the Chemical Foundation Inc. The Sherwin-Williams Co. wished to know whether this amount would apply against their subscription to the stock, and Mr. Danner informed them that same was regarded as a loan, to be returned when the financial matters of the organization were settled. Mr. Danner wished to know how soon he might expect to be able to repay this loan; also the various bills he states he has accumulated.

Dr. Matthews suggested to Mr. Danner to make up a bill incorporating the items of expense incurred, and submit it to the Chemical Foundation, Inc. Mr. Danner stated he would do this as soon as he received some definite information in connection with the expenses entailed in the Washington end of the work.

Mr. Danner also informed the Committee that in communication with the Collector of Internal Revenues, he informed them that as the American Dyes Institute was not an incorporated organization for profit-making, they were not subject to taxes.

Meeting adjourned at 4:30 P. M.

PLAINTIFF'S EXHIBIT No. 534.

A meeting of the Executive Committee of the American Dyes Institute was held on Friday, March 28th, 1919, in Room 1007 #21 East 40th Street, New York City, at 2 P. M.

Mr. E. V. Patterson of the E. I. duPont de Nemours & Co. was requested to act as Chairman.

Present: Mr. E. V. Patterson, Mr. C. Cyril Bennett, Secy., Mr. H. E. Danner, Treas., Mr. W. T. Miller, Mr. August Merz and Dr. J. Merritt Matthews. Mr. F. M. Fargo, Jr., was present for a short while.

Dr. Matthews read to the Committee a paragraph from a letter in his possession, relating to the shipments of intermediates from Switzerland.

Mr. W. T. Miller moved that the matter be referred to the Department of Commerce for their attention. Motion was duly seconded and carried.

Mr. Bennett brought before the Committee the resignation of H. Kohnstamm & Co. and inquired if any of the members were well enough acquainted with this firm to endeavor to induce them to remain in the Institute. Mr. Miller offered to take up the matter with H. Kohnstamm & Co., and he was requested to do so.

Mr. Bennett requested Mr. Patterson to inform Mr. Poucher that the reason for the Sherwin-Williams' subscription of $5000 to the Chemical Foundation, Inc., was due to the fact that Mr. Martin (of the Sherwin-Williams Co.) on receiving request for subscription, 'phoned Mr. Ault of The Ault & Wiborg Co. enquiring as to the amount of the latters' subscription, on which information he based his decision for the amount of the subscription of his company.

Mr. Miller, as Chairman of the Committee appointed to go to Washington on March 9th to confer

with the Department of Commerce on the matter of the importation of German dyes, reported that the Committee called on Mr. Cutler of the Department of Commerce relative to cable from Mr. Wigglesworth, which cable enquired as to the attitude of the Institute on the matter of allowing German dyestuffs to come out of the Rhineland section. The Committee asked Mr. Cutler to transmit a cable prepared by the Committee, which cable, however, was not sent, but the one attached forwarded in its place.

The Committee was asked if they could lay claim to the attitude conveyed in their proposed cable, as being the attitude of the entire Institute, by possessing the signatures of all their members, and upon being informed that the Committee did not have these signatures on hand, Mr. Cutler advised that he would confer with the War Trade Board on the matter of the cable, before dispatching same.

Mr. Miller stated, with reference to the mention in the cable finally sent—"Dyes Institute is general speaking against importation of German Dyes" that he is of the opinion the War Trade Board inserted this phrase.

Discussion followed on the inadvisability of having an indifferent "Inter-allied committee" control exports from Germany, in preference to having our own Licensing Board.

Mr. Miller stated that he expected to be again in Washington on Monday, and would see Mr. Cutler again with regard to this matter.

Dr. Matthews suggested to Mr. Miller that in talking with Mr. Cutler in Washington, he be impressed with the importance of having a body of men control the importation of dyestuffs into this country, with a view to taking care of the country's individual needs, rather than leave the matter in the hands of a committee who cannot meet conditions in this country as can a board constituted in this country.

Mr. Patterson advised Mr. Miller that he could inform Mr. Cutler now that instead of the seventy-two signatures of Textile manufacturers previously attached to the memorial sent to the President, one hundred and fifty signatures had been obtained, which additional names include some of the most prominent mills in the vicinity of Boston, Providence, Philadelphia and New York. Mr. Patterson was requested to mail this list of names to Mr. Miller at his Washington hotel, which he said he would do.

Mr. Bennett advised Mr. Miller that he could undertake to claim that the entire Institute was in favor of such a proposal as above-mentioned, and that every member had at some time or other signified his approval; that the term "generally speaking" was insufficient to express the attitude of the Institute on this matter; that the consumers were in sympathy with the manufacturers of dyes in their efforts to maintain this most essential industry in this country, and that such procedures as the importation of dyes into this country ought to be regulated by American bodies, not any foreign "inter-allied committee."

Mr. Bennett informed the Committee that Mr. Hilton of The Ault & Wiborg Co. who had been requested to attend the Sixth National Foreign Trade Convention of the National Trade Council, to be held in Chicago on April 24, 25th and 26th, was unable to do so, and requested that another delegate be sent for the Institute. Mr. Miller stated that he would ask their Chicago representative to attend the Convention.

Mr. Bennett brought before the Committee the matter of a recent communication from the Commonwealth Color & Chemical Co. relative to their joining the Institute. Mr. Bennett advised that at some time in the past this concern was in the hands of the Federal Trade Commission on some unfair practice,

and asked the Committee for their advices in connection with the application of this concern for membership.

Dr. Matthews suggested that a letter be written to the Federal Trade Commission endeavoring to secure from that body any information regarding this concern's trade practices, and be guided by such information in the matter of advising this concern as to their application for membership.

Mr. Bennett stated that he would do this, and in the meantime advise the Commonwealth Color & Chemical Co. that their application would come before the next Executive Committee meeting.

Dr. Matthews brought up the question of compiling a list of the patents taken over by the Chemical Foundation, Incorporated, and Mr. Bennett informed the Committee that Mr. Choate was unable to have this done at present, but that the latter would get together with Mr. Garvan relative to the preparation of a small prospectus for canvassing the chemical field for more subscriptions to the stock.

Mr. Miller moved that By-Laws of the Institute be printed. Motion duly seconded and carried. Mr. Danner was instructed to have about 200 copies printed.

Mr. Patterson informed the Committee that Mr. Poucher had advised him, in connection with the forms issued by the Tariff Commission for information on cost of production of dyes, etc. (distributed among the members of the Institute by the Tariff Committee, Dr. J. M. Matthews, Chairman) that these forms were not suitable for the requirements of the duPont Company, and that it was not possible to give the information requested thereon, with the present machinery of the duPont Company.

Dr. Matthews stated that it was the desire of the

Tariff Commission that helpful criticism and recommendations be made on these forms.

Mr. Danner asked the Committee when they desired to hold their next Executive Committee meeting, in view of the fact that the next regular meting of the Institute was scheduled for Friday April 4th, at 1:00 P. M. It was thereupon decided to have the next meeting of the Executive Committee held on the same day, at 12:00 o'clock.

Mr. Danner informed the Committee that he had distributed about 1161 of the small pamphlets on the Dye Industry, among the Wholesale Drygoods Dealers (which list he had obtained from one of the mailing agencies); that he could obtain a list of the Retail Drygoods stores in the country, numbering 37,896, for $75.00, if it was the desire of the Committee to circularize this list. He stated that he had 10,000 small pamphlets and 5,000 large ones, of the latter of which none had as yet been distributed.

After calculating the cost of such circularizing, it was found that the cost would be entirely too high for the Institute to assume, and it was then proposed that a list of stores doing over $5,000 Business annually, be circularized. This list consisted of 18,000 names, and would cost $50. Mr. Bennett advised that he had a list of 2250 department stores rated over $100,000.

Mr. Patterson suggested that the figures and estimates of cost of the various proposed methods of circularizing be tabulated and brought before the next regular meeting of the Institute for discussion and decision, inasmuch as the undertaking would entail heavy expense, which the Executive Committee was not warranted in assuming before the approval of the Institute had been obtained.

Mr. Merz suggested that it might be advisable to use space in the trade papers for this publicity, but

Mr. Bennett stated that in his opinion it would not be advisable to use these mediums for this publicity.

Mr. Patterson's suggestion to put the matter before the members of the Institute for their approval, was favored by the Committee, and it was decided to have this done.

Mr. Miller suggested that these pamphlets be sent to all the public officials, the various Governmental departments, all Senators and Congressmen, etc. Mr. Danner was instructed to do this.

Meeting adjourned at 4:00 P. M.

COPY

INFORMAL

March 25, 1919.

Hon. William Phillips,
Asst. Secretary of State,
Washington, D. C.

Dear Mr. Phillips:

I should greatly appreciate it if the Department of State would send the following cablegram in cipher to the American Ambassador at Paris, France, for the Secretary in the absence of the Commercial Attache:

"Following for Butler from Department of Commerce. Sixty-two. For Wigglesworth and Snow. Replying to your cable March twentyone from Paris the Dyes Institute is generally speaking against importation of German dyes. Textile manufacturers in general wish to foster American dye industries as a national necessity but this week have sent to the President a cablegram fully stating their position which you should see. The Alien Property Custodian has sold to the Chemical Foundation Incorporated former German patent rights which will presumably give protection here to the dyes so patented. See War Trade Board letter with enclosure dated March twelve

to McCormick. Departments of State, Commerce and War Trade Board are of the opinion that trade in commodities from German-occupied territory and Germany should be established slowly and cautiously, especially where it would tend to impose hardship upon key industries such as dyes which are becoming established as result of war necessities and whose continuance is now considered highly desirable from standpoint of national necessity. War Trade Board however feels that the control of importation of such dyes as it may be advisable or necessary to import in this country should be established by the proper inter-allied committees controlling exports from Germany rather than to have the control established by War Trade Board here which would be to a large extent a reversal of policy already established. Department Commerce would be willing to act with Chemical Foundation in judging foreign varieties least harmful to American industries if imported here."

Very truly yours,

Chief of Bureau.

PLAINTIFF'S EXHIBIT No 535.

MINUTES OF MEETING
EXECUTIVE COMMITTEE
AMERICAN DYES INSTITUTE

April 4, 1919.

A regular meeting of the Executive Committee of the American Dyes Institute was held at the Hotel Biltmore, New York City, on Friday, April 4, 1919, at 12:00 o'clock noon.

The following members were present:

Mr. F. M. Fargo, Jr., representing Marden, Orth & Hastings Corporation.

have replied stating their willingness to report this information.

Secretary also requested the members to file a revised list of all Dyes and Intermediates now being manufactured or intended to be manufactured. To date seven (7) members have replied.

* * * * * * *

On motion, the Secretary's report was accepted and ordered to be read at the general meeting to follow.

The Treasurer reported as follows:

March 1st, 1919, balance		$13,950.51
Received during March		4,259.12
		$18,209.63
Expenditures		5,261.99
Balance April 1st, 1919		$12,947.64
Accounts Receivable	$36,800.00	
Accounts Payable	10,833.32	

On motion the Treasurer's report was accepted and ordered to be placed on file and read at the general meeting.

Mr. Bennett stated that Mr. Choate, representing the Chemical Foundation, Inc., was preparing a prospectus for the Chemical Foundation, Inc., and he said that the office of the Chemical Foundation, Inc., was not as yet sufficiently organized to assume the work of soliciting subscriptions, and, therefore, it was suggested that the American Dyes Institute should offer to the Chemical Foundation, Inc. whatever services were necessary.

Thereupon it was agreed that Mr. Bennett, as Secretary of the American Dyes Institute, should offer to the Chemical Foundation, Inc., the facilities of his office, it being understood that the expenses of station-

ery, circularizing, etc., should be assumed by the Chemical Foundation, Inc.

Mr. Bennett then submitted a communication from the National Exposition of Chemical Industries which was to be held in Chicago during the week of September 22. After discussion, it was agreed that Mr. Bennett should make inquiries and report at a subsequent meeting what would be the expense involved, and whether or not the Institute could obtain desirable space.

The application of the Commonwealth Color & Chemical Company for membership in the Institute was discussed and it appeared from correspondence which Mr. Bennett had received from the Federal Trade Commission that this firm was a defendant before the Federal Trade Commission as regards giving gratuities, etc. Therefore it was

> *Resolved*—That Mr. Bennett should advise the Commonwealth Color & Chemical Co. that their application was pending awaiting the decision of the Federal Trade Commission.

Counsel thereupon advised the members that they should first submit to him all correspondence intended for the Federal Trade Commission.

Mr. Bennett submitted a letter dated April 4 from the National Foreign Trade Council (6th National Foreign Trade Convention to be held in Chicago April 24, 25 and 26, inclusive), and on motion it was

> *Resolved*—That a representative from the Sherwin-Williams Co., Mr. B. L. Miller, representing E. I. duPont de Nemours & Co. in Chicago, and Mr. Northridge, representing the National Aniline & Chemical Co. in Chicago should attend this convention as representatives of the American Dyes Institute.

Dr. Matthews read the following telegram together with his reply, all of which forms a part of the minutes of this meeting.

"1919 March 31 PM 5 32

A620 NY 40 Govt

W. A. Washington D C 5P 31

J. Merritt Matthews,

50 East 41st St., N. Y. City.

Commissioner Culbertson will address American Chemical Society in Buffalo on April Eight and wishes in advance knowledge of attitude of Dye Institute toward suggested Cost Investigation.

Thomas Walker Page, Vice Chairman"

"April 1, 1919

Thomas Walker Page,
Tariff Commission,
Washington, D. C.

Members of American Dyes Institute very sympathetic towards suggested cost investigation of products. They are working on the suggested forms and expect to soon have recommendations for you.

J. M. Matthews."

The Secretary submitted a letter received from R. Graupera Garrigo of Barcelona, Spain, and he was instructed to send a copy of same to all members.

Mr. Poucher submitted the following letter from Mr. Cutler, of the Department of Commerce, a copy of which is transcribed below and forms part of these minutes:

DEPARTMENT OF COMMERCE
WASHINGTON

April 1, 1919.

Mr. Morris R. Poucher,
E. I. duPont de Nemours Co.,
Wilmington, Dela.

My dear Mr. Poucher:

The time seems right, even pressing, for joint

action between the dye industry in this country and the several Bureaus of the Government interested in standardization of colors to act together for the benefit of our home and our foreign trade. This belief, however, is based on lack of knowledge by me of any activities which you may have already undertaken in the industry. Dr. Stratton, of the Bureau of Standards, has been experimenting on the spectroscope for this purpose, and, together with the Bureau of Chemistry in the Department of Agriculture and the Department of the Interior, may be able to suggest something of permanent value to you. A conference between your Executive Committee and the several Bureaus, including this Bureau, on the commercial side of the question may be held at any time that you and one or more of the Committee can visit Washington with an entire day to devote to the subject. Necessarily my own part in it would be merely to establish the ground of our commercial interest and let the scientific discussion be taken up by the other people.

Very truly yours,

BSC/p/pws (B. S. Cutler) Chief of Bureau.

On motion the Secretary was instructed to advise Mr. Cutler that the matter had been referred to the Committee on Standardization.

Mr. Miller submitted a letter from Mr. Harold Otis, dated April 2, which letter enclosed a bill for $1586.85, covering professional services in connection with efforts toward the Amendment of the Federal Revenue Bill in the interest of the Dye Industry. On motion this matter was referred back to Mr. Miller with the request that he talk with Mr. Wigglesworth and take up the matter at a later date.

H. E. DANNER,
Secretary.

HED/IF

PLAINTIFF'S EXHIBIT No. 536.

A meeting of the Executive Committee was held on Friday, April 11th, 1919, in Room 1007, #21 East 40th Street, New York City, at 11:00 A. M.

Present: C. Cyril Bennett, Secy., Mr. H. E. Danner, Treas., Dr. J. M. Matthews, Mr. M. R. Poucher, Mr. August Merz, Mr. W. T. Miller, Mr. F. M. Fargo, Jr., and Dr. Wallach (Grasselli Co.).

First matter under discussion was the proposed exchange of food for German dyestuffs and Mr. Poucher briefly outlined the facts in connection therewith as follows:

"The amount of dyestuffs to be exchanged by the Germans for food is 12,000 long tons, which will be divided into three or four parts, to be distributed among Great Britain, France, Italy and the United States. It is proposed that the Chemical Foundation, Incorporated, be responsible for the character, kind and tonnage of dyestuffs to be brought into this country, to be assisted by the Advisory Board, selected last week. It was thought that this method was more satisfactory than placing it in the hands of the Department of Commerce, and the latter department agreed to it. It was desired that the responsibility for the importation of these German dyestuffs, in exchange for food, be placed in the hands of *one* specific body, and that body, The Chemical Foundation, Incorporated."

Mr. Miller advised the Committee that he was recently requested to go over the statistics of the Exports during the years 1908, 1913 and 1918 as compiled in a Report of Foreign Trade by the Chemical Alliance, and to pass on the Dye Section thereof. Mr. Miller informed them that he would prefer to have the

matter placed before the American Dyes Institute for their recommendations, and requested that a copy of the report be sent to the Institute.

The question of the activity of the Economic Board abroad, on the matter of dyestuffs, was brought up for discussion and Mr. Poucher stated that in all their proposed methods of procedure the Department of Commerce seems to be entirely left out of the programme, that all cables and communications must go through the War Trade Board, from which board it does not appear that the desired information can be obtained; that the facts can be obtained from Mr. MacDowell (on the other side), but that his communications also come through the War Trade Board; that Mr. Wigglesworth, representing the interests of the American Dye Industry, is also handicapped in communicating with the proper bodies in the United States, by necessity to do so through the War Trade Board. Mr. Poucher, however, stated that he felt that our interests will be taken care of by the Economic Board abroad, but that we are not getting the true facts over here; also that he feels (that our interests will be taken care of by that Economic Board). Mr. MacDowell is in full sympathy with the American Dyes Industry, as represented by the American Dyes Institute and the Chemical Foundation, Incorporated.

The question then came up as to what method would be used in the selection of the German dyestuffs to be brought into this country, with the consequent proposal that a representative board of the American Dyes Industry be sent abroad to look after this end of the transaction.

In this connection Mr. Miller read copies of communications between himself and the War Trade Board and Department of Commerce—Attached, marked (A) (B) and (C).

Mr. Poucher stated that at the present time the

War Trade Board has the authority to grant exclusive blanket import licenses, which blanket import license would have to be granted to the Chemical Foundation, Incorporated, for the importation of the German dyestuffs, until the action of Congress on the Treaty of Peace.

Informal discussion of the possible injurious results of the distribution of these German dyestuffs in the United States brought up the expression of approval of the members of the Executive Committee, to the proposal that the entire shipment of German dyestuffs be destroyed, and the food granted in exchange donated to Germany, thereby eliminating the possibility of future trouble in the Industry. It was thought that the distribution of these German dyestuffs in this country would be absolutely suicidal to the American Dyestuff Industry.

Mr. Bennett brought before the Committee the membership application of the Gaskill Chemical Corporation. Upon motion, duly seconded and carried, the application of this firm was accepted.

Mr. Bennett brought before the Committee the invitation received from the Home Market Club of Boston, to attend their Dinner on Thursday, April 11th, and asked if a delegation was desired to attend the Dinner as representing the American Dyes Industry.

Upon motion, duly seconded and carried, it was resolved that Mr. Bennett represent the American Dyes Industry at the Dinner of the Home Market Club on Thursday, April 11th.

Mr. Bennett suggested that it would be very desirable to arrange to have Mr. Joseph H. Choate, Jr., address the guests at the Dinner, on the matter of the German activities in this country and the Alien Property Custodian's efforts in eliminating them, with the

result of the formation of the Chemical Foundation, Incorporated. Mr. Bennett advised that he had gotten in touch with Mr. Thos. O. Marvin, Secy. of the Home Market Club, relative to inviting Mr. Choate to speak, and anticipated hearing from Mr. Marvin at an early date.

Mr. Poucher, upon consulting Mr. Danner, informed the Committee that up to date all members had been sent the Daily Bulletins of the Open Price Section, regardless of whether or not they were reporting their prices. This was the suggestion of Mr. Eddy, who stated that the method could be stopped . . . where the non-reporting members are concerned . . . at any time, without explanation, and the Bulletins sent only to those who were reporting; that the members enquiring why they did not continue to receive the Bulletins would be informed that only those members reporting would be sent Bulletins, the idea being to pave the way for more members in the Open Price Section.

Upon motion, duly seconded and carried, it was resolved that the sending of Bulletins to non-reporting members be stopped.

Mr. Poucher brought before the Committee the matter of the use of the statistical figures in the possession of the Tariff Commission, for publication, stating that inasmuch as they were not up-to-date, they were detrimental to the interests of the Industry, and therefore he took exception to the use of the figures for publicity. It was suggested that it might be advisable to eliminate the names of the firms who had given the figures in the past, and use merely the figures, with an X for the name of the firm.

This brought up the reiteration of opinion that it was absolutely essential for the development of the American Dyes Industry, that the Institute have in its possession as complete and detailed a record of produc-

tion of various dyestuffs, by each member of the Institute, as possible. It was stated in all legislative measures to be enforced for the protection of the Industry it would be necessary to present the facts concerning the production of dyestuffs in this country, in order to substantiate any plea that might be made in behalf of the Industry.

Dr. Matthews expressed the opinion that unless we have statistics to back up our statements, we cannot hope to be successful in our proposed undertakings; that in the distribution of the dyestuffs to come into this country from Germany, or the granting of import licenses, it would be absolutely necessary to be able to show just what and how much of it was made in this country.

In this connection he also brought to the attention of the Committee that to the recent questionnaire circulated among the members by the Tariff Committee of the Institute (Dr. Matthews, Chairman), at the request of the Tariff Commission for suggestions, recommendations and criticism on their proposed Cost Investigation of Coal-Tar Products (for use in any proposed revision of the Tariff Act relating to dyestuffs and intermediates) only two members had replied, and as it was absolutely necessary to obtain this information, it was most important that the members give the matter their attention, whereupon he was requested to follow-up the members on this matter and endeavor to obtain replies from them.

Mr. Poucher again stated that it was essential that we have our own representatives on the board to regulate the importation of these German dyestuffs.

The question of the standardization of dyestuffs was brought up, and Dr. Wallach suggested that an expert chemist on dyestuffs be employed to establish standards of dyestuffs, which standards would be submitted to several large firms for their approval of such

samples being established as standards, and then sent to the Department of Commerce with the statement that such are the standards for the colors represented.

Mr. Merz stated that it was not so essential that standards be determined, as it was important to establish a method of determining the strength of the various colors.

Mr. Merz was then asked who constituted the Standardization Committee. He informed the Committee as follows: Mr. August Merz, Chairman, Mr. H. J. McGrane (Holliday-Kemp Co.), Mr. A. G. Bruinier (formerly with Dicks, David Co.), Dr. J. M. Matthews (Grasselli Co.), Dr. E. W. Pierce (now with the Zobel Color Works), Mr. O. P. Anthony (Geo. H. Morrill Co.), and Mr. W. H. Watkins (National Aniline & Chemical Co.). In view of the fact that Mr. Bruinier was no longer connected with the Dicks, David Co. it was suggested that another member be substituted in his place.

Upon motion, duly seconded and carried, Dr. Roger Wallach of The Grasselli Company was elected as a member of the Standardization Committee.

Mr. Poucher then brought before the Committee the resignation of Mr. C. Cyril Bennett as Secretary of the American Dyes Institute, stating that in view of the inability of Mr. Bennett to devote to the work of the Institute the time required for the successful execution of the important work to be undertaken in the very near future, Mr. Bennett deemed it advisable to secure the services of a man who could devote all his time to the office of Secretary of the Institute; a man who was able to spend a great deal of time in Washington, where the developing of proposed measures would have to be undertaken, and in general be able to apply himself assiduously to the task of performing the manifold duties connected with the Secretaryship of the Institute.

General regret was expressed at the resignation of Mr. Bennett, but Mr. Bennett assured the Executive Committee that he was at all times ready to enlist his services in the fight for the establishment of the American Dyes Industry in this country, and that he anticipated being able to pull some ropes with the next Republican Congress, in favor of the Dyes Industry.

Mr. Poucher informed the Committee that the name of Mr. W. E. Corwine, now Secretary of the Clothiers' Association, was suggested as a desirable man to have as Secretary of the Institute, being a man of high standing in Washington, and knowing the ropes of legislative activity very well, having been connected with the enforcement of the Hill Bill. It was stated that inasmuch as the future work of the Institute would necessitate the Secretary's presence in Washington a great deal of the time, the securing of Mr. Corwine as Secretary was indeed commendable. It was cited that the proposed Import Licensing Plan would have to be put through as an Act of Congress, and the enlisting of legislative sympathy and support in this connection was a matter to be taken into consideration in the selection of a new Secretary for the Institute.

It was also expressed that for the success of the undertakings of the American Dyes Institute it was absolutely necessary to keep the Open Price Division of the Institute entirely separate from the general work of the Institute.

Upon motion, duly seconded and carried, it was resolved that Mr. Bennett confer with Mr. Corwine in an endeavor to make arrangements for the latter's acceptance of the Secretaryship of the American Dyes Institute, and report developments at the next meeting of the Executive Committee.

Meeting adjourned at 12:45 A. M.

(A)

Copy

TELEGRAM

Washington, D. C.

11 2 P April 1st, 1919.

Mr. T. P. Miller (should be Mr. W. T. Miller)
Secy. Natl Aniline and Chem. Co., 21 Burling Slip NY
as member of Executive Committee you may be called upon at very early date to name varieties which may be imported with least prejudice to Industry here bearing in mind necessity of liberality on grounds of necessary exchange whether we comply or not conference welcomed at Washington any time.

B. S. CUTLER 1 48 P

(B)

Copy

DEPARTMENT OF COMMERCE

Dear Sir:

As a first step in the selection of an advisory committee to the Secretary of Commerce for the purpose of ascertaining what foreign-made dyes may be imported into the United States without prejudice to the national and commercial policies already agreed upon, I hereby appoint you a member of a committee of two (acting with Mr. Joseph H. Choate) to submit to me the names of a committee representing the following organizations and interests:

Chemical Foundation, Inc.
American Dyes Institute.
American Chemical Society.
National Association of Finishers of Cotton Fabrics.
Silk Association of America.
American Assn. of Woolen & Worsted Mftrs.

My purpose is to make a choice of individuals who will instinctively entertain a comprehensive view of the problem rather than advocates of particular interests, even though they may stand for those interests in commercial association. Be good enough to have these names before me within the next thirty-six hours if possible.

Very truly yours,

Secretary.

Dr. William T. Miller,
c/o American Dyes Institute,
320 Broadway, New York, N. Y.

(C)

Copy
110 West 42nd Street
New York City

April 4th, 1919.

B. S. Cutler, Esq.
Chief Bureau of Foreign & Domestic Commerce
Department of Commerce
Washington, D. C.

In accordance with your request yesterday we beg to suggest the following gentlemen as representatives of the Dye Consuming Industry Mister Henry B. Thompson President National Cotton Finishers Association Three hundred twenty Broadway Mister Arthur S Draper President American Cotton Manufacturers Association Charlotte North Carolina also Chairman of the Council of the National and the American Cotton Manufacturers Association Mister Frank D. Cheney South Manchester Connecticut of the Silk Manufacturers Association Mister Franklin W Hobbs President Woolen Association Lawrence Massachusetts Stop As representatives of Chemical Industries

Mister M R Poucher Wilmington Delaware of Dupont Company Mister W H Watkins Buffalo New York National Aniline and Chemical Company Mister August Merz of Heller and Merz Newark New Jersey Stop These three gentlemen were nominated by American Dyes Institute at its meeting today also Doctor Charles H Herty past president American Chemical Society as representative of last named Society Stop We suggest naming four representatives of producers and four representatives of consumers instead of three each because all the gentlemen named seem to be of the greatest value on such a committee and because if we limit suggestions for representatives of producers to three we must leave out either one of the largest producers or all of the smaller producers or the representative of the American Chemical Society.

W. T. MILLER and
JOSEPH H. CHOATE, JR.

PLAINTIFF'S EXHIBIT No. 537.

MINUTES

Meeting, Executive Committee, April 18th, 1919.

A meeting of the Executive Committee of the American Dyes Institute was held on Friday, April 18th, at 2 P. M. in Room 1007, #21 East 40th Street, New York City.

Present: C. Cyril Bennett, Secy., Mr. H. E. Danner, Treas., Dr. J. M. Matthews, Mr. August Merz, Mr. W. T. Miller, Mr. F. M. Fargo, Jr., Dr. Roger Wallach; also Dr. Grinnell Jones of the U. S. Tariff Commission and Mr. Joseph H. Choate, Jr., of the Alien Property Custodian.

Mr. August Merz acted as Chairman.

Mr. Bennett introduced Dr. Jones, informing the

Committee that the purpose of Dr. Jones' visit was to discuss with the members the best method of assembling the cost data on the manufacture of Dyes and Intermediates desired by the Commission, as covered by the recent plans and letters circulated among the members of the Institute by the Tariff Committee.

Dr. Jones briefly outlined the political situation in Congress, with a Republican House; the Senate almost evenly divided, and the President's fourteen points providing for as little economic interference with foreign trade as possible. He stated that two things could happen: one, that the House could put through a very radical bill providing high rates of tariff for protection of the Industry, with possibly a licensing system, etc., which measures would be highly satisfactory to the dyestuff manufacturers, but with the Senate no action could be expected, as the Senate is evenly divided, and any measure proposed there would result in merely becoming a political record, but no legislative action could be expected; the other, in his opinion the only way of obtaining any aid in the way of protection, would be with the support of the Tariff Commission.

Dr. Matthews enquired if it is the intention of the Tariff Commission to compare the cost of manufacture here with the costs of manufacture abroad, and so base their recommendations for increase in tariff rates to be placed before the Ways and Means Committee. He stated that Dr. Taussig had always maintained that it was not within the function of the Tariff Commission to suggest any change in rates.

Dr. Jones replied that heretofore the Commission had no actual facts concerning costs, etc. in their possession, on which to base sound judgment, such information not having been available because of the fact that the manufacturers claimed lack of knowledge on the matter of cost of production, but that it was neces-

sary to have this information as a working basis for further consideration.

Mr. Merz enquired if the costs of manufacture in this country were obtained, whether they could be compared with foreign costs of manufacture, it being unlikely that the latter information could be secured.

Dr. Jones advised that Congress would be certain to ask for that sort of information concerning production in this country, but that the Tariff Commission might have to inform Congress that the manufacturers themselves are unable to supply this information, conditions of production being so abnormal, etc. He further stated that if the Tariff Commission could submit a report to Congress, showing that costs are several times what the German costs were before the war, we would have more of a chance to put a bill through for higher rates, as the Republicans would be sure to ask for such information.

Mr. Miller enquired of Dr. Jones if the latter did not collect such information about a year ago, and Dr. Jones replied that the work was started about that long ago, at which time he made some preliminary investigations among individual concerns, but was informed that conditions were so chaotic then that the information was unobtainable and the Tariff Commission deemed it advisable to lay aside the matter for a time.

Dr. Jones stated that the Tariff Commission's attitude on this matter was briefly as follows: The Tariff Commission wants to know if it is the desire of the Dye Industry that they shall collect this data for presentation to Congress in connection with proposal for increase in tariff rates (or protection to the Industry in general) and if that was the case, whether the manufacturers would co-operate with the Commission in compiling these statistics.

Dr. Matthews stated that it was his opinion that the Institute could not accomplish very much in this connection, with the method now employed, as the members seem unwilling to disclose their costs to the Institute which is comprised of their competitors, but that the Tariff Commission would be in a better position to secure this data from the manufacturers direct.

Dr. Jones asked if it was thought that the plan of visiting the manufacturers, going over their accounts with their accountants, and having heart-to-heart talks with the manufacturers themselves, would produce better results than the efforts of the Institute as a whole to collect this data for the Tariff Commission and he was informed that it was the opinion of the Committee that this would be the better plan, and that the members would gladly co-operate with the Tariff Commission in this connection.

Dr. Jones showed the members the manner in which the Tariff Commission compiled cost statistics of the Sugar Industry.

In a general discussion of the difficulty of averaging the cost of manufacture of individual dyes . . . because of the fact that the overhead expenses, etc., could not be attributed to the cost of production of any one particular dye . . . Dr. Jones stated that it was necessary to pick a list of dyes and intermediates which would be typical of the Industry and represent the various types; such as some cheap intermediates and some expensive ones, etc. etc.

At this point Mr. Bennett interrupted by introducing Mr. Joseph H. Choate, Jr., of the Alien Property Custodian's office, who wished to bring some matter before the Executive Committee.

Mr. Choate explained that there was a good deal of difference of opinion here and abroad as to what German dyes should come into this country. He stated that a cable had been received from abroad, signed by

Mr. Baruch and Mr. MacDowell, the substance of which proposed to place in the hands of the Chemical Foundation, Inc., the control of the importation of German dyestuffs into this country, whereupon the War Trade Board, which has in its power the issuing of all import licenses, stated that it was not possible to grant an exclusive blanket import-license to the Chemical Foundation, Inc., as such an act would be "delegating the powers of the War Trade Board"; in other words "they disclaimed any purpose or power to act for the protection of American Industry."

Mr. Choate advised that Mr. Garvan (Alien Property Custodian) in his cabled reply, accepted the matter as it stood, but emphasized that we must have control of prices.

Mr. Choate further stated that the War Trade Board proposed to appoint an advisory committee, but if their plan is carried out, the selection of the dyes which are to come into this country will be undertaken by the War Trade Board itself, an unsympathetic body, disclaiming any purpose of protecting the Industry, and guided only by an advisory committee, selected by the War Trade Board itself, which may or may not be satisfactory to the Industry. He stated that in this manner there was nothing to prevent the War Trade Board from issuing such licenses as they may see fit, and, with no restraint, the field would again be laid open to German importers and their unscrupulous business methods. He admonished the committee that "something ought to be done."

The question was asked Mr. Choate as to whom the shipment of German dyes would be consigned, and Mr. Choate stated that he thought the best plan would be to have it consigned to the Secretary of Commerce, who would then re-consign it to the Chemical Foundation Inc. which would have to act as an agent of the Government in the matter.

Mr. Choate read to the Committee the cable of March 27th from Mr. Baruch and Mr. MacDowell.

Mr. Choate then brought before the Committee his draft of a reply to that cable, which he read to the committee. A passage in the cable referred to the "confessedly unsympathetic" attitude of the War Trade Board in "disclaiming purpose and power to act for protection of American Industry," which Mr. Choate explained as being the words of the War Trade Board.

Dr. Jones apologized for participating in the discussion of this matter but stated that he thought the phrase unfair, inasmuch as the War Trade Board, in his opinion, was at all times willing to do all in its power to aid an Industry, but by "disclaiming purpose and power to act for protection of American Industry," they evidently meant they had to limit themselves to such powers as were granted them by Congress when the Board was instituted.

Mr. Choate then changed the phrase in question and submitted it to the committee for their approval.

Dr. Matthews moved that the cable be sent in submitted form. Motion duly seconded and carried. It was ordered that the cable be sent; copy attached.

Mr. Choate left the meeting at the close of this matter.

Dr. Jones resumed his conference with the Committee on the matter of cost-investigation, informing the members that it appeared to him the thing to do would be for the Tariff Commission to go ahead with the work, with the assistance of an active committee of accountants, and work out the details of the best plan to present the facts to Congress, requesting the Committee to appoint a committee of accountants for this purpose.

He stated that in this work there were four points to be taken into consideration: (1) the period to be

covered; (2) particular products to be selected; (3) arrangement of accounting details; (4) the best method of presenting the facts to Congress.

He suggested, upon inquiry, that the period to be covered be the first half of this year, because of the situation of the Tariff Commission on the subject of their appropriation for such work.

Dr. Wallach suggested that instead of conducting an investigation of cost of manufacture of individual dyes, the method of "lumping" production of intermediates and dyes be used, giving the Tariff Commission total figures; showing the products which are just starting to be manufactured, and those already perfected in. He stated that there are some experts in this country who would be able to inform the Tariff Commission with regard to the percentages the Germans used to produce at before the War, as compared with the cost of American manufacture. He stated that we would naturally compare "unfavorably" with the Germans in the cost of labor, research work, repairs, amortization, interests on invested capital, etc.

Dr. Jones reminded the committee that the difficulty in using averages or percentages arises from the fact that the Accountant of the Tariff Commission must swear to the figures he submits on the witness stand (sometimes before a hostile body), and therefore he must be absolutely accurate in the statistics he submits.

Dr. Wallach assured him that this would be the case, as the manufacturers would submit the statistics in dollars and cents. The other members of the Committee acquiesced in the assurance that the Tariff Commission would be given the privilege of verifying the figures by the books of the various manufacturers.

Mr. August Merz enquired if it is not within the province of the Tariff Commission to demand this information from such firms as would not be inclined to

grant same on request, and Dr. Jones replied that while it was, the Tariff Commission was loathe to exert this power, assuming that the Industry would willingly submit the information desired, particularly in view of the fact that the result of the investigation would aid the Industry in securing some protection against foreign trade intrusion.

Following a general discussion of this matter, Mr. Danner summed up the attitude of the Executive Committee on this subject as follows:

"It is the sum of this meeting that in so far as possible, it is desirable that statistics covering costs of Dyes and Intermediates be collected by the U. S. Tariff Commission for the use of Congress in the forming of tariff legislation. It is therefore

> RESOLVED that the American Dyes Institute appoint a special committee to consult with the U. S. Tariff Commission as to the practical means of collecting and presenting such information."

Duly seconded and carried.

Upon motion of Dr. Matthews, duly seconded and carried, it was resolved that the committee of accountants be selected from the following firms: The National Aniline & Chemical Co., E. I. du Pont de Nemours Co., Heller & Merz, The Grasselli Chemical Co., Calco Chemical Co., Newport Chemical Works, Ault & Wiborg and the Sherwin-Williams Co.

Dr. Jones enquired as to Mr. Poucher's recent mention of exception taken to the Tariff Commission's publishing of statistics furnished by dye manufacturers some time ago, and was informed that the matter was discussed at the last Executive Committee meeting.

Mr. Miller informed the Committee that he had been visited by Mr. A. C. Harragin, Secretary of the American Trona Corp. who wanted to know if the

American Dyes Institute would co-operate with the potash people in procuring a licensing system.

Mr. Miller remarked that it was his recollection that some time ago a similar subject arose before the Institute, and the latter then deemed it inadvisable to have any other industry "hanging on to the tail of the kite of the Institute in the matter of securing the licensing plan."

Upon motion of Mr. Miller, duly seconded and carried, it was resolved that a negative reply be given to Mr. Harragin, and Mr. Miller was requested to attend to this matter.

Mr. Bennett brought before the committee Mr. W. E. Corwine's letter *re* his application for the Secretaryship of the American Dyes Institute, and Mr. Cottingham's telegram requesting that no action be taken in the matter until he had had an opportunity to confer with the Executive Committee *re* same, as he had another prospective candidate in view.

Mr. Merz suggested, in view of Mr. Cottingham's telegram, that the matter be held in abeyance until the Committee had consulted with Mr. Cottingham.

Upon motion, duly seconded and carried, the meeting adjourned at 4 P. M.

COPY

CABLE.....April 18th, 1919

MR. VANCE MCCORMACK
American Peace Commissioner,
Paris, France.

American Dyes Institute respectfully protests against the adoption of the present plan of War Trade Board for admission of German dyes subject only to control of War Trade Board acting under advice of committee appointed by it (Stop) If German dyes

must be admitted the Institute cordially approves and advocates plan outlined in Baruch cable of March twenty seventh placing whole subject in control of Chemical Foundation (Stop) War Trade Board has expressly disclaimed purpose and power to act for protection of American Industry (Stop) Its plan provides no check on distribution (Stop) Even if only such dyes as are least likely to damage American manufacture are selected for admission nevertheless distribution carried on without carefully determining price time and conditions of sales so as to avoid injuring domestic producers will cripple native industry and unless the task is entrusted with full discretion to a responsible body like Chemical Foundation will open an easy path to restoration of old German importers and their unscrupulous business methods.

AMERICAN DYES INSTITUTE.

PLAINTIFF'S EXHIBIT No. 538.

A meeting of the Executive Committee of the American Dyes Institute was held on Friday, April 25th, 1919, at 2 P. M. in Room 1007, #21 East 40th Street, New York, N. Y.

Present: Mr. W. H. Cottingham, Pres., Mr. C. C. Bennett, Secy., Mr. Frank Hemingway, Mr. W. T. Miller, Dr. J. M. Matthews, Mr. M. R. Poucher and Mr. R. W. Hilton (The Ault & Wiborg Co.).

Mr. Hilton enquired of the committee if—in view of the fact that Mr. Ault was in China and he could not find it possible to come to the Executive Committee meetings—it would be agreeable to have Mr. Lichtenstein of Aniline Dyes & Chemicals Inc. (who sell the Ault & Wiborg products) represent them on the Executive Committee. After some discussion the

Committee stated that it would be inadvisable to have this representation, as the Aniline Dyes & Chemicals were importers and not manufacturers. It was decided that either Mr. Hilton or Mr. Davis would represent the Ault & Wiborg Co. on the Executive Committee in place of Mr. Ault.

Mr. Bennett brought to the attention of the Committee the proposed campaign for distributing the stock of the Chemical Foundation Incorporated throughout the chemical and allied industries, stating that it was primarily thought by Mr. Choate to be the duty of the underwriters to float this stock, but this was overruled by Mr. McKay and Mr. Corbett who stated that it was the function of the Chemical Foundation Incorporated itself to undertake the task of distributing the stock as widely as possible.

Mr. Hilton brought up the subject of competitors hiring chemists from one another, stating his case briefly as follows:

It has been the experience of his company on various occasions to invest a good deal of time, effort and money in the training and developing of young chemists, and that, when they have reached a stage of independent capability, despite the fact that they were practically "made" by the company in question, they would be snatched up by some competitor who offered them more compensation, in view of the fact that the employee was in some measure a trained chemist. He stated that it was the principle of his company not to hire any chemist who made application to them while in the employ of another concern, and that they had made certain agreements with some concerns not to break this rule, but there were some concerns who did engage men while in the employ of his company. He enquired if it were not possible to employ some method of eliminating this hardship on the manufacturers.

Mr. Hemingway stated that the methods of seeking better employment, used by some of the men making applications for changes, while in the employ of other concerns, were absolutely dangerous to the manufacturers; i. e., he related that he had the occasion to speak to one man who was looking about for a better job, and that this man, who had evidently had thousands of dollars spent on him by his concern in training him, was willing to "sell" his old employers by informing his prospective new employer on many confidential matters concerning production, etc. Mr. Hemingway likewise agreed that it was absolutely essential for the protection of the manufacturers that some measure be adopted for the elimination of this evil.

After some discussion among the members on the various phases of this evil, Mr. Hilton moved that

> The matter of hiring chemists from each other be brought before the Institute as a whole (at their next meeting) for discussion, and decision as to the best method of eradicating this harmful practice.

Duly seconded and carried.

Mr. Bennett brought before the meeting again the question of application of Mr. Corwine for the Secretaryship of the Institute. After some discussion it was decided to interview Mr. Corwine and he was requested to present himself at the meeting.

After the Executive Committee had interviewed Mr. Corwine, Mr. Cottingham introduced his proposed candidate for the office, Mr. W. H. Krause, associated with Law Offices of Harold J. Pack, Washington, D. C., who was interviewed in the same manner as was Mr. Corwine.

After the departure of both candidates the general opinion of the Committee seemed to be that Mr.

Corwine was better fitted for the position from the viewpoint of experience in Association work and Washington activities, whereas Mr. Krause was the younger and more aggressive of the two, but not nearly so well acquainted with the essential facts concerning Washington affairs. It was agreed that Mr. Corwine would be able to handle the Washington end of the proposed activity of the Institute within the next year very admirably, by virtue of his past experience both in legislative circles and his connection with the enforcement of the Hill Bill, which was a most commendable accomplishment, whereas Mr. Krause, while perhaps more desirable for a Secretary in years to come, would have to be trained, more or less, in the matter of handling our affairs in Washington within the next year.

Mr. Poucher held that inasmuch as our activities in Washington within the next year would be most crucial to the Industry, and would perhaps mean the establishment or destruction of the American Dyes Industry, it was essential that a man of Mr. Corwine's *experience* (which he claims is the only thing that will count in the next year, and enable us to accomplish anything) be obtained for the office of Secretary.

In view of the inability of the Committee to decide definitely on the selection of the new Secretary, it was decided to hold the matter over for another week, so that the Executive Committee may be enabled to look about for a man who would perhaps be able to meet the requirements of youth and aggressiveness on the one hand, and experience in legislative circles and association work on the other hand.

Dr. Matthews brought up the subject of appointment of accountants to collaborate with Dr. Grinnell Jones of the U. S. Tariff Commission on the matter of Cost Investigation, and it was decided that a meet-

ing of these accountants be called for Friday, May 2nd, at 10 A. M., in the room of the Institute, 21 East 40th Street.

Meeting adjourned at 4:30 P. M.

(Copy)

CENTRAL BUREAU OF PLANNING AND STATISTICS
116 New Interior Building

Memo to: C. L. Reese, E. I. du Pont de Nemours Co., Wilmington, Del.

From: E. F. Gay, Director.

Subject: Statistical Report of the Chemical Alliance.

1. Enclosed you will find an early copy of the Statistical Report of the Chemical Alliance dealing with the World's trade in chemicals in 1908 and 1913 and such figures as are available for 1917. These tables were prepared in conjunction with the Central Bureau of Planning & Statistics, and for the time being must be regarded as *confidential*.

My purpose in writing to you is as follows:

We wish you to take up the subject of Coal Tar Intermediates, Dyes and Medicinal organic chemicals and give your opinion of the condition of:

(a) The present World trade in contrast with the period before the war.

(b) The United States manufacturing capacity, export trade possibilities now, in contrast with the period before the war.

(c) Any general observations you may care to make in regard to the present condition of this line of chemical industry at this time so far as *domestic trade* is concerned.

(d) Should any special representation be made to the Peace Council regarding the particular branch of the industry you are reviewing.

(e) A statement giving your opinion of the possibilities of foreign trade so far as domestic organization is concerned independent of any Government action.

2. Your report on this subject will be forwarded to the Peace Council over your name, but will not be published. It will go before a committee consisting of three executive officers of the Chemical Alliance and three Government officers. This committee is not expected to make any changes in your manuscript, and will not do so in any case without consulting you. This Committee will simply supervise the reports in order to see that our Economic representatives in Paris receive sufficiently full information.

3. You understand that these reports should go forward as soon as possible. Will you kindly send two signed copies of your report to this office where it will be copied for use in the way indicated above.

4. Please be as brief as is consistent with the importance of the subject, and if possible forward your report within one week.

(Signed) EDWIN F. GAY,
Director.

(Copy)

Wilmington, Del., April 17th, 1919.

Mr. E. F. Gay, Director,
Central Bureau of Planning and Statistics,
116 New Interior Building,
Washington, D. C.

Dear Sir:

Our File RW-2275-A

Referring to your letter of no date, enclosing a

copy of the Statistical Report of the Chemical Alliance dealing with the World's trade in chemicals in, 1908 and 1913, I will answer seriatim the questions you have asked.

1. (a) Question: The present World trade in contrast with the period before the war.

Answer: The following records of exports of dyestuffs show the increase from 1915 to 1918 inclusive, over pre-war conditions. Exports before the war were mostly dye-woods and various vegetable dyes. The exports of coal tar dyestuffs began in 1916 with the development of the coal tar industry in this country.

1900	$49,000	1910	$380,000
1901	394,000	1911	326,000
1902	531,000	1912	315,000
1903	620,000	1913	348,000
1904	518,000	1914	357,000
1905	475,000	1915	1,178,000
1906	491,000	1916	5,102,000
1907	487,000	1917	11,709,000
1908	438,000	1918	16,922,000

(b) Question: The United States manufacturing capacity, export trade possibilities now, in contrast with the period before the war.

Answer: The experience of Germany in the coal tar dye industry has shown conclusively that no country can succeed in the development of this industry without an export trade. This will be true of Great Britain and will also be true of the United States. Naturally the first effort put forth both in England and in the United States was to supply the needs of the home market.

We have now in the United States a development in the coal tar dye industry sufficient to make neces-

sary a very substantial export trade, practically all of which development has been since August 1, 1914.

(c) Question: Any general observations you may care to make in regard to the present condition of this line of chemical industry at this time so far as *domestic trade* is concerned.

Answer: The American Dyes Institute put down two factors necessary for the upbuilding and maintenance of the coal tar industry in the United States: (1) the taking over of all enemy-owned chemical patents in the United States. This has been done by the Alien Property Custodian. A holding company known as the Chemical Foundation Inc. was formed, which has the unqualified support of the dyestuff and textile industries; see attached documents. (2) The licensing of imports for a substantial length of time, along the lines of the British regulation. Great Britain studied this problem for three years, and the final outcome was the plan for the licensing of imports for a period of ten years. The manufacturers of dyes, as represented by the American Dyes Institute and the Chemical Alliance, advocate a similar plan for the United States. The leading textile consumers have endorsed the plan; see attached copy of memorial to the President cabled to Paris March 25, 1919, with a full list of the signers.

It is proposed to place the authority for the carrying out of this plan, pending the ratification of the Terms of Peace by the Senate, in the Chemical Foundation, Incorporated, President, Mr. Francis P. Garvin, Alien Property Custodian. Following the carrying out of this plan will come the move for an Act of Congress to continue the plan for a fixed period.

(d) Question: Should any special representation be made to the Peace Council regarding the particular branch of the industry you are reviewing.

Answer: Representations should certainly be made regarding the plan of licensing imports, in accordance with this memorandum and the accompanying documents. As you will see from the foregoing, the matter is now well under way.

(e) Question: A statement giving your opinion of the possibilities of foreign trade so far as domestic organization is concerned independent of any Government action.

Answer: Up to this time there has been no organized movement among the coal tar dyestuff manufacturers in this country, such as has taken place in other industries under the Webb Act. The reason for this is that the demand has greatly exceeded the supply and up to this time the buyers from foreign countries have made their purchases here. Ultimately the dyestuff manufacturers in this country will have to seek the foreign markets.

2. The Manufacture of Coal Tar Dyes in Switzerland. Owing to the apparent connection between the dyes manufactured in Switzerland and the dye intermediates manufactured in Germany, I am attaching copy of a memorandum prepared by the American Dyes Institute and filed with the War Trade Board on March 11, 1919, concerning the issuing of licenses to import Coal Tar Dyes from Switzerland.

I am also attaching a letter and a copy of a memorandum of the American Dyes Institute of March 1, 1919, covering the recommendation of the Dyes and Intermediates Division of the Chemical Alliance, which were sent to Mr. Charles H. McDowell at his request for information in connection with this subject previous to his departure for Europe.

Yours very truly,

CHARLES L. REESE,

Chairman, Dyes & Intermediates Section,

CLR.S *Chemical Alliance Inc.*

Enclosures:

(1) Copy of the memorial Textile Industry to the President of the United States, endorsing the plan of licensing imports.
(2) Copy American Dyes Institute's memorandum of March 11 to the War Trade Board.
(3) Copy of my letter to Mr. McDowell forwarding him a letter addressed to me by Mr. Poucher of the American Dyes Institute.
(4) Prospectus and Certificate of Incorporation of the Chemical Foundation Incorporated.

PLAINTIFF'S EXHIBIT No. 539.

A special meeting of the Executive Committee of the American Dyes Institute was held on Wednesday, April 30th, 1919, at 2:45 P. M. in Room 1007, #21 East 40th Street, New York City.

Present: Mr. M. R. Poucher, Mr. F. M. Fargo, Jr., Mr. R. T. Baldwin, Mr. W. T. Miller, Mr. R. A. Shaw, Mr. August Merz, Mr. C. C. Bennett and Dr. C. Herte.

The special meeting was called for the purpose of looking over the lists of German dyestuffs (loaned to the Committee by the Alien Property Custodian) to be exchanged for food.

The committee looked over these lists, and on motion duly seconded and carried, it was

> RESOLVED: That copies be made of these German dyestuff lists and one each be given to the members of the Licensing Committee, composed of Mr. Poucher, Dr. Watkins, Dr. Herte and Mr. August Merz.

Mr. Bennett called to the attention of the Committee, the desire of Mr. Garvan to have the Institute

assist in the campaign for distributing the stock of the Chemical Foundation, Inc. throughout the Chemical field; also that the Institute co-operate with him in securing the largest number of signatures possible to the memorial proposed to be sent to the President on the matter of importation of German dyestuffs.

On Motion, duly seconded and carried, it was

RESOLVED that the Institute inform Mr. Garvan of its willingness to co-operate with him in every way possible, in both the distribution of the Chemical Foundation stock, and the securing of signatures for the proposed memorial.

Meeting adjourned at 4:15 P. M.

PLAINTIFF'S EXHIBIT No. 540.

MINUTES OF MEETING
AMERICAN DYES INSTITUTE

May 2nd, 1919.

A regular monthly meeting of the American Dyes Institute was held at the Hotel Biltmore, New York City, on Friday, May 2nd, 1919.

Luncheon was served at 1:00 P. M.

Inasmuch as Counsel, Mr. Arthur J. Eddy, was obliged to leave early for Chicago, he spoke briefly at the luncheon table and recommended that the members follow the plan adopted at the last monthly meeting—that is, each member should feel free to ask definite and direct questions of other members, and to this end it was decided that the Chairman would call each member present in turn and ask if any other members present had any questions to direct to the party as his name was called.

After luncheon the meeting was called to order

by Mr. W. T. Miller, who, on request, acted as Chairman.

The following firms were present and represented as follows:

American Aniline Products, Inc.	Mr. Paul Nobbe
The Ault & Wiborg Company	Mr. Hilton
Butterworth-Judson Corp.	Mr. Clark
John Campbell & Company	Mr. John Ward
Chemical Company of America	Dr. Iserman
Consolidated Color & Chem Co.	Mr. Clarkson (arrived late)
Dicks, David Co., Inc.	Mr. R. P. Dicks Major B. F. Welton
E. I. duPont de Nemours & Co.	Mr. Stephenson
Dye Products & Chemical Co.	Mr. C. K. Simon Mr. L. M. Loewenthal
Essex Aniline Works, Inc.	Mr. Phineas Kent
Grasselli Chemical Company	Dr. Wallach
The Heller & Merz Company	Mr. Robertson
Frank Hemingway, Inc.	Mr. Frank Hemingway
Marden, Orth & Hastings Corp.	Mr. F. M. Fargo, Jr.
National Aniline & Chem. Co., Inc.	Mr. W. T. Miller Mr. Bishop
Naugatuck Chemical Company	Mr. Wm. Valentine
Rector Chemical Company	Mr. Max Hirsch Mr. J. H. Buck
Transatlantic Chemical Corp.	Mr. Wm. Stevenson

Secretary, Mr. H. E. Danner, also attended.

Inasmuch as a copy of the minutes of the previous meeting had been sent to each member, and there were no corrections, on motion, the reading of same was omitted.

The Chairman stated that he was in hearty sympathy with the remarks of Counsel. He said that the present time was very vital to the Manufacturers of Dyes and Intermediates. It was understood that there was a large quantity, approximately 12,000 tons, of Dyestuffs in Germany, which it was proposed to send to the United States in exchange for food, and this quantity represented approximately one year's prewar consumption. It was Mr. Miller's opinion that sooner or later the American Industry would have keen competition from the German plants, and he believed that the members of the Institute should endeavor at all times to become better acquainted, and to this end he thought free and open discussion of conditions in the Industry would bring the members to a better understanding and enable them to more successfully compete with foreign products.

Mr. Miller replying to Mr. Nobbe, stated that at the present time he saw no indication of his firm reducing the price of "DIRECT BLACK." He said his price for this material had not been changed for two years.

Mr. Nobbe, replying to Mr. Fargo, stated that he was not as yet in a position to state as to whether or not it was his intention to participate in the reporting plan.

Mr. Hilton called attention to the fact that he had submitted to the Executive Committee a request that in the absence of Mr. Ault, his firm be represented at the meetings of the Executive Committee by Mr. Lichtenstein, of Aniline Dyes & Chemicals, Inc., and it was the judgment of the Executive Committee that Mr. Lichtenstein should not represent the Ault & Wiborg Company on the Executive Committee. There was a short discussion, and it was generally thought by those present that the Ault & Wiborg Company should endeavor to have one of their own repre-

sentatives present at the Executive Committee meetings, instead of being represented by Mr. Lichtenstein, who was an Importer. It was also suggested that Mr. Lichtenstein was no doubt a member of the Importers Association.

Mr. Clark, of Butterworth-Judson Corp., stated that he had no objection to reporting a list of the products he was manufacturing or intended to manufacture and the Secretary was requested to send Mr. Clark a duplicate set of the forms on which to report this information. Mr. Clark also stated that he was not as yet prepared to participate in the reporting of prices as he felt that during the period when he was receiving the daily bulletins he had recognized discrepancies—that is, he was sure he knew of prices which had been made and which did not appear on the bulletin. Mr. Clark was asked to mention an individual instance, but he stated he was not prepared to do so at the present time.

It was pointed out to Mr. Clark that unreliable information is oftentime furnished by interested buyers or salesmen, and in fairness to all parties concerned, these reports should be checked up for the sake of accuracy and to remove misunderstandings as to actual prices made.

Dr. Iserman, replying to Mr. Bishop, stated that he was not manufacturing *"Aniline Oil."*

Mr. Stephenson, of E. I. duPont de Nemours & Company, answering Mr. Clark, stated that his price for Victoria blue was $6.00, and for Crystal Violet, $6.50. Mr. Clark was of the opinion that lower prices than the above had been made, of which Mr. Stephenson was not aware. Mr. Stephenson thereupon stated he would advise Mr. Clark if his company had sold the above products at lower prices; also if these products were sold under any other name.

Mr. Hilton, of the Ault & Wiborg Company, stated that his Company operated a small plant for the manufacture of "*H. Acid,*" for his own consumption. He did not know what was being produced by other manufacturers and was therefore undecided as to whether or not his Company should increase their present production or discontinue same and buy from parties who were fully equipped to produce all requirements. Mr. Clark, of Butterworth-Judson Corp., stated that he expected to offer "*H. Acid*" in from thirty to forty days. Mr. Hilton then suggested the advisability of the members now manufacturing or intending to manufacture *H. Acid,* meeting for the purpose of determining wherein there was duplication or waste, and thereby be able to diversify their products more intelligently, and in a spirit of cooperation. An interesting discussion followed, and it developed that the same condition existed in the manufacture of other Intermediates.

Mr. Hemingway expressed the opinion that this was a matter of great importance and he therefore moved:

> *That the important tonnage intermediates should be grouped and that the manufacturers of same should meet at an early date for the purpose of determining the quantity now being produced and what is expected will be produced in the near future.*

The above motion was passed and the Secretary was instructed to advise the members that meetings among members already producing or intending to produce the Intermediates listed below would be held as follows:

1—Those already producing or intending to produce *H. Acid* will meet in the office of Mr. Bennett (21 E. 40th Street, N. Y. City), on Tuesday, March 13th, at 10:00 A. M.

2—Those already producing or intending to produce *Beta Napthol* will meet in the office of Mr. Bennett (21 E. 40th St., N. Y. City), on Wednesday, May 14th, at 10:00 A. M.

3—Those already producing or intending to produce Aniline Oil will meet in the office of Mr. Bennett (21 E. 40th St., N. Y. City), on Thursday, the 15th inst., at 10:00 A. M.

In connection with the above, it was understood that the Executive and Technical men should attend these meetings, inasmuch as the discussion would no doubt resolve itself into two phases:

1—General conditions, and the practicability of cooperative work.

2—Cost of Production.

On motion of Mr. Dicks it was

RESOLVED—

That whenever a member of the Institute had surplus product to dispose of he would file a record of same with the Secretary, who would tabulate same on a bulletin, either under a code number, or with the name of the party offering the product (according to the direction of the member).

It was also

RESOLVED—

That whenever a member was interested in purchasing either dyes or intermediates he would likewise file an inquiry with the Secretary, who would distribute same among members, either under a code number, or by name (as directed by the member).

It was understood that the Secretary would prepare a printed form upon which all the above offers or inquiries would be tabulated in a uniform manner.

At the request of Mr. Fargo, the Secretary was instructed to again circularize the members, requesting them to file—

1—A complete list of all Dyes and Intermediates *now being manufactured* by each member.

2—A list of all Dyes and Intermediates which each member is *preparing* to manufacture. By preparing is meant some actual commitment in the way of equipment, contract for raw materials, etc.

3—A list of all Dyes and Intermediates that each member *intends* or *expects* to manufacture. This covers Dyes and Intermediates to the manufacture of which the member has not committed himself in any way, but has more or less definitely in mind for the comparatively near future.

Mr. Miller, replying to Mr. Fargo, stated that his firm was now filing all price information on all Intermediates. Mr. Miller replied to Mr. Hilton that his entire production of *Acid Green* was sold as fast as made, the consumption being in the Textile trade.

Mr. Valentine, answering Mr. Fargo, said that he was not as yet prepared to state as to his participation in the Open Price plan.

Mr. Bishop asked the members present what they charged for Drums, and it developed from the replies that the charges vary from $10.00 to $25.00. It was the opinion of those present that the variation in these prices causes considerable confusion among customers. The Secretary was requested to write to the Manufacturing Chemists Association and ascertain, if possible, if there was any standard price for these Drums or Containers.

The Secretary presented an application for membership from the Gaskill Chemical Corporation, of

Brooklyn, and he reported that this application had been submitted to the Executive Committee, and approved, and thereupon, on motion, the Gaskill Chemical Corporation was unanimously elected to membership in the Institute.

The Treasurer reported as follows:

April 1st, 1919, Balance	$12,947.64
Received During April	21,533.81
	$34,481.45
Expenditures	10,350.02
	$24,131.43
Accounts Receivable	$16,300.00

On motion, the above report was accepted as read, and ordered to be placed on file.

The Secretary reported as follows:

The following members are reporting price information covering Contracts, Orders and Quotations, and the information filed since the Secretary's last report is as follows:

	Contracts	*Orders*	*Quotations*	*Total*
Marden, Orth & Hastings Corp	1	367	299	667
The Sherwin-Williams Company		25	77	102
E. I. duPont de Nemours & Co.		484	244	728
Dicks, David Co., Inc.		158	66	224
The Dow Chemical Company		2	15	17
National Aniline & Chemical Co.		0	36	36
Rector Chemical Company		2	1	03
	1	1038	738	1777

The total number filed to date is 12,161, as indicated below:

Marden, Orth & Hastings Corp.	104	3961	2403	6468
The Sherwin-Williams Co.	74	409	451	934
Hydrocarbon Chemical Prod. Co.	0	1	27	28
E. I. duPont de Nemours & Co.	105	1786	1214	3105
Frank Hemingway, Inc.	0	1	9	10
Dicks, David Company, Inc.	0	779	356	1135
The Dow Chemical Company	14	116	301	431
Certified Chemical Co.	1	1	0	2
National Aniline & Chem. Co., Inc.	0	1	44	45
Rector Chemical Company	0	2	1	3
	298	7057	4806	12,161

The total number of reports filed covers approximately 2745 customers, of whom 610 have business relations with two or more of the members reporting.

Since the Secretary's last report there have been 11 direct exchanges covering similar products quoted to the same customer, and 21 direct exchanges covering similar products sold to the same customer. One of these quotations resulted in an order.

In reference to the distribution of Pamphlet No. 1, you are advised that approximately 5900 of the small pamphlets have been distributed among consumers, and 487 of the large pamphlets have been distributed to members of the House of Representatives, and the U. S. Senate.

On motion, the Secretary's report was accepted as read and ordered to be placed on file.

The date of the next meeting was set for Friday,

June 6th, 1919, and in connection with same, Mr. Hilton moved that the members come prepared to make constructive suggestions as to how the Industry could be benefited.

There being no further business, on motion, the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED.IF.

PLAINTIFF'S EXHIBIT No. 541.

A meeting of the Executive Committee of the American Dyes Institute was held on Friday, May 9th, 1919, at 10 A. M. in Room 1007, #21 East 40th Street, New York, N. Y.

Present: C. Cyril Bennett, Secy., Mr. H. E. Danner, Treas., Mr. R. T. Baldwin, Dr. J. M. Matthews, Mr. August Merz, Mr. M. R. Poucher, Mr. W. H. Cottingham, Mr. Frank Hemingway, Mr. F. M. Fargo, Jr., and Dr. Wallach (Grasselli).

Mr. Bennett brought before the Committee correspondence received from Mr. Hilton of The Ault & Wiborg Co. regarding the latters' conferences with Mr. Nicholas Longworth, conveying the impression that Mr. Longworth deems the licensing plan impracticable and increased tariff rates the only available protection for the Dye Industry.

Mr. Poucher explained that present conditions are somewhat changed by the new developments abroad—in that the matters pertaining to our Dye Industry have been taken out of the hands of the Economic Board and the other Boards which go out of existence on June 30th or thereabouts, and placed into the hands of the new Reparation Board abroad, which Board controls the exports from Germany. Mr. Poucher states that it appears our Government has taken

the stand of joining with England, France and Italy in the control of their exports (which phase of development has been included in the Peace Treaty), and that it is almost inconceivable that our Government should stand in a position of controlling half of the trade—which is their option—while allowing goods to come in from neutral countries. He states that if there is a board to control the exports from Germany, there should certainly be a licensing plan here to exclude importation of dyes from neutral countries. Mr. Poucher thought our position in the matter of securing the licensing plan has been strengthened by the stand the Government has taken, as it is clearly shown there is absolute necessity to control imports into this country, in the same manner as the exports from some foreign countries are going to be controlled.

Upon reference to Mr. Longworth's interest in the matter, Mr. Poucher advised that the latter be requested to reserve his judgment on the licensing plan until full details of the latest developments abroad can be put before him.

Mr. Bennett called attention to the fact that Mr. Longworth is particularly anxious to hear from the American Dyes Institute as to the latters' wishes in the matter of increased tariff rates, because he intends to introduce a bill for revised tariff rates on dyes and intermediates the first day that Congress convenes. Mr. Bennett informed the Committee of Mr. Longworth's proposed revision in rates.

Discussion of this matter led to inquiries as to the personnel of the Tariff Committee of the Institute, and upon reference to memorandum thereof, it was decided to add Mr. Jos. H. Choate, Jr. (as representing The Chemical Foundation, Inc.), Dr. Chas. H. Herty and Mr. R. C. Jeffcott; also to substitute Mr. Baldwin in place of Mr. Wigglesworth (as it was presumed the latter's services on the committee would

not be available at the outset of their activity in Washington), and Mr. Robt. W. Hilton in place of Mr. L. A. Ault (who is in China).

Upon motion, duly seconded and carried, it was

> RESOLVED, That the Tariff Committee of the American Dyes Institute be composed of the following: Dr. J. M. Matthews, Chairman, Mr. R. T. Baldwin, Mr. Eugene Merz, Mr. Geo. A. Whaley, Mr. C. Scott Althouse, Mr. Robt. W. Hilton, Mr. M. R. Poucher, Mr. Jos. H. Choate, Jr., Dr. Chas. H. Herty and Mr. R. C. Jeffcott.

It was suggested that this Committee be called together at the earliest possible date and arrangements made to go to Washington for the purpose of conferring with Mr Longworth on the matters previously referred to. It was suggested that an endeavor be made to have the committee go to Washington on Wednesday next, May 14th.

Mr. Bennett advised that Mr. Choate desired that from all the Associations representing the Dye Consuming trades, there be obtained statements covering each industry—the entire membership of the various associations; total number of concerns; total number of employees; capital investment (as far as can be ascertained); annual output; annual turn-over, etc., to show in as large a manner as possible, the industries dependent on the Dye Industry of this country, and its tremendous importance to the entire Industrial life of the country.

Mr. Bennett then read to the Committee correspondence from Dr. Reese to Mr. Cutler of the Department of Commerce and Dr. Herty to the same Department, with reference to the Department's proposed appointment of Dr. Norton to be sent abroad for the purpose of securing information to be used in connection with our Dye Industry. Dr. Herty's letter in sum advised the selection of such a delegation to be left to

an organization such as the American Dyes Institute, giving his views in the matter very fully, and it was the general opinion of the Committee that Dr. Herty's suggestion was most commendable. It was recommended that the Secretary write a letter to Mr. Redfield stating the sentiments of the Executive Committee on the matter, and referring to the source of this knowledge of the matter in a very general way.

Mr. Bennett brought to the attention of the Committee the matter of taking space at the forthcoming National Chemical Exposition to be held in Chicago, for the purpose of an Exhibit, and it was deemed advisable to have such an Exhibit in connection with the Chemical Foundation Inc., and the Secretary was instructed to proceed to make the necessary arrangements for the securing of the space, provided desirable space could be obtained and at reasonable cost.

Mr. Bennett brought before the Committee some correspondence between Mr. Danner and the Atlas Color Works, regarding the Open Price Division of the Institute. The Atlas Color Works had enquired as to the reason for the discontinuance of their receipt of the Daily Bulletin showing the quotations of their competitors (reporting under the Open Price Plan), and, as this concern had not reported, Mr. Danner duly informed them that only those firms reporting their prices, in the same manner as their competitors, would receive the Bulletins, it being assumed that those not interested in reporting their prices were likewise not interested in receiving their competitors' quotations (through the medium of these Daily Bulletins), etc. etc.

Mr. Bennett informed the Committee of the sum of the work of the Committee who went to Washington on April 30th, in the matter of investigating the War Trade Board's participation in the distribution of the German dyestuffs to come into this country on the

food-exchange basis, stating that Dean Gay, with whom they had an interview, intimated that the Dye Industry would be given the "minimum of protection" in the matter.

Mr. Bennett advised the Committee of the circularizing work his office had undertaken to assist the Chemical Foundation, Inc., and enquired if it was authorized by the Executive Committee that the Institute bear the expense of mailing the initial letter in the campaign (which is to go out in the name of the American Dyes Institute, calling attention to the forthcoming literature from The Chemical Foundation, Inc.), which expense was estimated at $90 or $100.

Upon motion, duly seconded and carried, it was

> RESOLVED that the American Dyes Institute bear the cost of postage on the initial letter in the circularizing campaign to be conducted in the stock-distribution canvass for the Chemical Foundation, Inc.

Mr. Poucher also called attention to the fact that it was the desire of Mr. Choate that printed memorial-copies be distributed throughout the dye-consuming industries, for the purpose of securing the largest number of signatures thereto that it is possible to obtain.

Upon motion, duly seconded and carried, it was

> RESOLVED that 5000 copies of this memorial be printed for distribution among the dye-consuming trades, with the view to securing the largest number of signatures possible; 5000 more copies to be printed additional if required.

Mr. Danner was instructed to have this printing done.

Dr. Matthews informed the Committee of a recent conference he had with Dr. Herte and another gentleman representing the American Defence Society, regarding the latter's suggestion that propaganda work

be started among the women in the country, to create a similar attitude towards German dyes as was accomplished in the matter of importation of German toys, etc.; to create the sentiment of desire and purpose to use American dyes only. It was estimated that this wide-spread propaganda, which would be over the entire country, would entail an expense of about $10,000 a month.

Dr. Matthews further stated that Dr. Herte had gotten in touch with Mr. Garvan on the matter, and that the latter had advised him to "hold off on the proposal for a while" as other very important things were brewing in Washington, and while he could not state at the time just what they were, they are important enough to await developments on.

Dr. Matthews further stated that the American Defence Society had formed a committee to handle this matter, and that they would probably expect the American Dyes Institute to do likewise, as they thought it advisable to start work along the suggested lines before Congress convenes.

The opinion was expressed that there was not sufficient time to start such activity before Congress convenes, but, in view of Mr. Garvan's advice to hold the matter in abeyance, it was decided to do so.

Mr. Baldwin also related an incident of a young lady calling at his office who claimed to represent the National Defence Society, and who informed him of some women's section of the magazine she was representing, wherein it was urged upon the women of the country to use the colors manufactured by the National Aniline & Chemical Co. Mr. Baldwin states that he thereupon informed her that it was not the desire of his company to have such propaganda promulgated; that the aim of the Industry and the concerns in it was to urge the use of AMERICAN colors (in preference to German) and not the colors manufactured by any one particular firm.

Mr. Danner enquired as to the manner in which the Chemical Foundation Inc. was to be called upon to reimburse the Institute for the cost of the preliminary investigation carried on in Washington, etc., which expense amounted to something like $9000, and he was authorized to render bill for these expenditures to the Chemical Foundation, Inc. He stated that after this reimbursement, he would refund the sum of $6000 loaned by individual members ($1000 each) for the carrying-on of this preliminary work.

Dr. Matthews informed the Committee of the work accomplished at the first meeting of the Committee of Accountants assembled for the purpose of conducting the proposed cost-investigation of coal-tar products, as outlined by the Tariff Commission, stating that the Committee of Accountants suggested the appointment of a neutral accountant for the purpose of harmonizing the returns of this cost-investigation, which may be received from the various members, before submitting same to the Tariff Commission. While the idea of appointment of an accountant as suggested did not seem to meet with general approval, the matter was not given sufficient attention (owing to lack of time) to warrant arriving at any well-considered decision.

The election of the new Secretary was brought up, and after some preliminary discussion of the two candidates—Mr. Wm. E. Corwine and Mr. Krause—it was decided to hold the vote.

Mr. Wm. E. Corwine was unanimously elected Secretary of the American Dyes Institute, at the terms given in his letter of application.

The Committee expressed the desire that Mr. Corwine's services be obtained at the earliest possible date, in view of the urgent necessity of his immediate presence in Washington, in time for the opening of the Congressional session.

Mr. Danner's Notice #31 (calling for three meet-

ings of the manufacturers of three specific products—one meeting Tuesday, May 13; another Wednesday, May 14th, and another Thursday, May 15th) was discussed, and it was decided that in view of the fact that these meetings were arranged without Mr. Eddy's knowledge, and because of the possible inability of his attendance at these meetings, it might be advisable to call them off until such a time as Mr. Eddy could attend them, as it was deemed most desirable to have Mr. Eddy attend them at the start.

Mr. Danner was instructed to get in touch with Mr. Eddy and endeavor to find out if the latter can attend these meetings, and in the event of his inability to attend, the meetings be called off.

Meeting adjourned at 12:30 A. M.

PLAINTIFF'S EXHIBIT No. 542.

MINUTES of a meeting of the Executive Committee of the American Dyes Institute held Friday, May 23rd, 1919, at 10 A. M., in the rooms of the Institute.

In attendance:

Dr. J. Merritt Matthews
Mr. R. T. Baldwin
Mr. August Merz
Mr. M. F. Holt
Mr. H. E. Danner, Treasurer
Mr. W. R. Corwine, Secretary

Mr. Holt of The Ault & Wiborg Co. had been designated by it as its representative at the meetings of the Executive Committee, and the Executive Committee consented to this.

Mr. Poucher, by wire, had requested that Mr. Stephenson represent him at this meeting.

On motion Dr. Matthews was elected Chairman of the meeting.

The Secretary called attention to a letter from the Chemische Fabriken Vorm Weller-terMeer, dated April 15th, copy of which had been forwarded to him, in which a German dye house was offering dyestuffs and chemical products to American consumers. The Secretary stated that a copy had been sent to each member of the Executive Committee.

In that connection the Secretary also reported a conversation which he had had over the telephone with Mr. McGrane of Holliday-Kemp Co. to the effect that a salesman of that firm in Boston had come across a letter from Pickhardt & Von Kuttroff offering German dyes to the Woolen and Worsted trade. Mr. McGrane was trying to get a copy of the letter.

The Secretary also reported that he had sent copy of the letter from the Chemische Fabriken Vorm Weller-terMeer to Mr. Francis P. Garvan and Mr. Jos. H. Choate, Jr., and had reported to Mr. Garvan the conversation with Mr. McGrane.

The Treasurer submitted a report from Dicks David Co. Inc. stating that the Blandy Paper Co. of Greenwich, N. Y., and the American Wood Board Co. of Schuylerville, N. Y., through their buyer named D. C. Trondsen, stated openly that they would buy from Kutroff & Pickhardt Co. because they wanted German goods or as near to them as possible. The Treasurer also reported that the matter had been placed in the hands of the Secret Service people to look up and report, the name of the Secret Service agent being Mr. Jas. J. Tierney, of Room 746, Custom House, New York City.

The Secretary was requested to write to all members confidentially advising them of the matters as above stated, and asking each to pass up to the office any information obtained on offerings of German dyes

in this market by German manufacturers or German agents.

The Secretary then referred to the membership of the American Dyes Institute in the Chamber of Commerce of the United States of America, and that, according to the number of the members of the Institute, it was entitled to one delegate to attend conventions and other meetings, and one councillor to attend to the routine work, such as correspondence, submission of referenda to members, etc. It was decided that the designation of a delegate be left to a time when the selection of one will become necessary, and that the Secretary should act as councillor.

The Secretary then submitted some correspondence which had passed between Mr. Poucher and Mr. Adams, the latter being Secretary of the American Cotton Manufacturers' Association, concerning representation at the 23rd Annual Convention of that Association to be held in Atlantic City May 27th and 28th. The Secretary also reported that he had heard indirectly that Mr. Poucher had agreed to attend the Convention. Thereupon the Executive Committee officially appointed Mr. M. R. Poucher and Dr. J. Merritt Matthews as its representatives at the Convention, and instructed the Secretary so to notify Mr. Adams.

The Treasurer reported that the signatures to the petition to the President, on the matter of licensing, were coming in very slowly.

The Treasurer also reported the balance on hand on this date to be $21,015.83.

The Secretary reported some correspondence between Dr. Chas. L. Reese, Mr. B. S. Cutler, Chief of the Bureau of Foreign & Domestic Commerce of the Department of Commerce, Washington, and Dr. Norton, indicating that a trade commissioner in Europe on dyes and chemicals would not be appointed by the

Department of Commerce until after the return of Mr. Wigglesworth.

The Secretary reported a letter from the Grasselli Chemical Co. proposing for membership, E. C. Klipstein & Sons Co. of 644 Greenwich St., New York City, with plants at So. Charleston, W. Va., Chrome, N. J., and Edgewater N. J. The A. Klipstein Co. had asked for application blank which had been sent them by the Secretary, but as the blank had not been returned, action on this proposal for membership was laid over.

The Secretary reported some correspondence with the Peerless Color Co. of Bound Brook, N. J. looking toward membership by that company in the American Dyes Institute, and stated that he had sent to the President of that company, an application blank and copy of the constitution and by-laws. Although the company was seeking election it was decided to hold the matter over until the application should have been signed and the name of the proposer filed.

Secretary reported a telegram from Mr. Poucher stating that he would be unable to attend, and that Mr. Stephenson would represent him, also suggesting that Mr. Merz make a report on the licensing plan as it developed at the recent meeting in Washington. This Mr. Merz did.

There was then some discussion on the suggestion made by Mr. Poucher in his telegram that the first thing the Advisory Board would need would be a complete census of the Dyestuff Industry in this country and that a plan for taking that census should be started at once. It was reported by Dr. Matthews and the Secretary that a Mr. Miller of the War Trade Board had been designated by the latter to obtain the information that Mr. Poucher thought should be sought, and that before taking any further steps the Secretary should confer with Dr. Herty, Secretary of the Ad-

visory Committee, as Mr. Miller had been in touch with Dr. Herty.

The Secretary read a communication from Mr. John O'Day of the United States Color & Chemical Co., Inc., containing the suggestion that if the Advisory Committee be enlarged, the name of someone in the Eastern section be placed thereon. It was decided to refer the matter to Mr. Henry B. Thompson, Chairman of the Advisory Committee, at this office, 320 Broadway.

There being no further business, the meeting adjourned to Thursday, May 29th, 1919, at 2 P. M.

WM. R. CORWINE,
Secretary.

PLAINTIFF'S EXHIBIT No. 543.

MINUTES of a meeting of the Executive Committee of the American Dyes Institute held in the office of the Institute, 21 East 40th Street, New York City, May 29th, 1919, at 2 P. M.

In attendance:

Dr. J. Merritt Matthews,
Mr. R. T. Baldwin,
Mr. August Merz,
Mr. M. F. Holt,
Mr. H. E. Danner, Treasurer,
and Mr. W. R. Corwine, Secretary.

Mr. Baldwin was elected Chairman.

The Secretary announced that he had received a signed application for membership from the Peerless Color Company, Inc., at Bound Brook, N. J., together with a check for dues amounting to $250 and an invoice to be receipted and returned.

The Executive Committee passed favorably upon

the application of the Peerless Color Co. which had been signed by Mr. R. W. Cornelison, Pres.

The Secretary then called the attention of the Committee to a letter which had been received from Mr. H. P. Fairbanks, Director of Bureau of Enemy Trade of the War Trade Board, asking the Institute to pass upon the advisability of issuing a license to the Compagnie Morana of 118 E. 27th St., New York City, for the purchase of some second-hand books of enemy origin obtainable in Switzerland, which they assert are needed in connection with their manufacture. Mr. Fairbanks stated that he thought it was good policy for his Bureau not to attempt to recognize different dye and chemical manufacturers who might desire to import books from Germany or from a neutral country, but that they should recognize the American Dyes Institute as a central authority on a question of that kind, the Institute being in a better position to determine the need of certain books in this country. He added that by having such applications referred to the Institute the risk of importing books not essential, or which may contain matter which would not be considered to the interest of the United States, would be minimized. Mr. Fairbanks attached to his letter a copy of the one received from the Compagnie Morana asking for the privilege of purchasing the books for their factory. The Compagnie Morana stated that it had already ordered the books.

The Committee expressed gratification at this recognition by the War Trade Board, and ordered that the Chairman appoint a Committee of three to consist of two representatives from the American Dyes Institute and one from the Chemical Foundation, Inc., to pass upon this and other matters of a similar nature which might be referred to the Institute.

The Chairman named as such committee, Dr. J. Merritt Matthews, Chairman, and Mr. August Merz,

representing the Institute. The Secretary was instructed to write to the Chemical Foundation, Inc., asking it to name one man to add to the Committee.

There was then a discussion over the further activities of the representatives of German dye manufacturers in endeavoring to place orders in the American market or in taking preliminary steps to secure orders.

The Secretary read a letter which he had received from Mr. J. A. Barrington, Vice President of the Essex Aniline Works of Boston, reciting an instance where Kuttroff & Pickhardt, through their Boston office, had solicited the Arlington Mills of Lawrence, Mass., for orders for dyestuffs made by the Badische Co. through a Mr. Otterson, salesman. The latter had told the Arlington Mills that he expected to be able to deliver any goods sold because the Badische factory was in the territory occupied by Allied forces, and for that reason stated that the goods would be allowed to come through. Mr. Barrington had given the Secretary permission to verify this by corresponding with the Arlington Mills and the Secretary reported that he had already written to Mr. Franklin W. Hobbs, President of the Arlington Mills, setting forth the substance of Mr. Barrington's letter.

The Chairman submitted copy of another letter making a direct offer, subject to prior sale, of two kegs 220 pounds each Rhodamine B, Extra concentrated, at $40.00 per pound, F. O. B. Boston, Terms C. O. D. subject to examination. A statement was made in that letter that these were Swiss goods and guaranteed prewar type, full strength. The proposed seller offered to furnish sample, if required, and stated that the packages could not be broken. It was not disclosed to whom this letter went, but it was sent by W. L. Macomber & Co., 261 Franklin St., Boston, Mass.

The Chairman also submitted copy of a communi-

cation from Becker, Pennrich & Co., of 82 Beaver St., New York City, offering for immediate shipment from a European port, subject to licensing and safe arrival, 500 lbs. Benzo Fast Scarlet 3 B S, original Bayer's type, at $15.00 per lb. and 500 lbs. Benzo Fast Scarlet 8 B S, same quality and price, guaranteeing the merchandise to be strictly in accordance with the description and sold on that basis. The letter asked for a telegraphic reply if the proposal was accepted by the receiver of the letter.

The Secretary submitted a letter that he had received from John Campbell & Co. of 75 Hudson St., New York City, stating that that firm had received a letter from a German manufacturer to the effect that anticipating the conclusion of peace between Germany and the Allied countries in the near future, the manufacturer would like to resume business relations with John Campbell & Co. and asked what colors and chemicals that firm would like to import. John Campbell & Co. also recited in their letter that they had heard from Holland from a man who offered colors which he claimed to have purchased in Belgium, stating that they were intended for South America, but that he would ship them to the United States.

The Secretary was directed to send copies of these letters to Mr. Garvan, Alien Property Custodian, and Mr. Joseph H. Choate, Jr., Counsel.

The Secretary reported that he had already done this in connection with the letter from Essex Aniline Works and that he would do likewise in the other three cases.

Mr. Danner, Treasurer, produced a letter which had been sent to him by Dicks, David Co. of 299 Broadway, addressed to the latter company by the Harmon Paper Co. (through their Mr. J. J. Warren) declining to sign the memorial to the President. The Secretary was instructed to send a copy of that letter also to Mr. Garvan and Mr. Choate.

The Secretary then made a statement about the number of pamphlets of the Chemical Foundation, Inc., which it had been learned were to come to the Institute office, to the extent of 50,000 copies; that already between six and seven thousand copies had been received and unpacked, together with 50,000 envelopes and several cases containing between six and seven thousand copies more, which had not been unpacked; that already there had been forwarded, by Express or mail, or were in process of being forwarded from the Institute office, approximately 2200 copies. With the force on hand the Secretary stated that it would be slow work getting out these books and he suggested that the lists, so far as they could be obtained, be prepared at once and placed in the hands of an addressing agency where there were facilities for sending out in large quantities.

The Committee advised the Secretary to take this matter up with the Chemical Foundation, Inc., and reach a conclusion, offering, of course, all the co-operation the Institute could render.

The Treasurer asked instructions concerning Mr. Bennett's salary, and it was unanimously decided to pay him his full salary for the entire month of May, and that the new Secretary's salary should be adjusted from the 9th of May.

The Treasurer also reported his net balance on hand today as $20,377.97.

The Secretary then reported some of the details of the conference at Washington between the Committee of Accountants of the Institute on the one hand, and the Tariff Commission on the other. He stated that at the conference the Tariff Commission was represented by Commissioners Thomas Walker Page, Vice Chairman; David J. Lewis and Edward P. Costigan, together with Dr. Grinnell Jones, Chief Chemist, A. R. Willis, Assistant Chemist in charge of dyes, Mr. C.

R. De Long, also one of the assistant chemists, and Mr. Geo. C. Comer, Chief Accountant.

The Representatives of the Committee of Accountants were:

J. M. Gaines, of Calco Chemical Co., Chairman
Bernard Geo. Shinatz, National Aniline & Chemical Co.
T. A. Yalden, Heller & Merz Co.
Edwin H. Killheffer, Paul J. Kortsch, } Newport Chemical Works, Inc.
William Rector, E. I. du Pont de Nemours Co.
W. R. Sieplein, Sherwin-Williams Co.
O. M. Hook, Grasselli Chemical Co.
and W. R. Corwine, Secretary

Mr. J. M. Gaines of Calco Chemical Co. had previously been nominated as Chairman.

The Secretary referred to the exceedingly cordial reception which had been accorded by the Commission and its attaches and of the very full and interesting conference which had been held, lasting from 2 in the afternoon to 6 in the evening.

He did not attempt to go into the details of all the points covered in the questionnaire which had been sent out by the Tariff Commission on the subject of dyes and intermediates investigation, but referred more specifically to a question which the Commission and the Committee of Accountants had asked him to take up with the Executive Committee bearing upon the list of Dyes and Intermediates as set forth on Page 2 of the document entitled "Proposed Cost-Investigation of Coal-Tar Products." The Members of the Commission and the Accountants Committee both agreed that the list might be amplified to include dyes which were more difficult to manufacture than many of

those named in the list which had been prepared by the Commission, and all those present felt that the members of the Executive Committee could better amplify that list than the Committee of Accountants or perhaps the Commission itself.

Thereupon the Secretary read a letter which he had received from Dr. A. D. Chambers of the E. I. du Pont de Nemours Co. to whom the representative of that company on the Committee of Accountants had referred the suggestion of amplification of the list of Dyes, because it was understood that at the Executive Committee meeting there would be no representative from that company.

Dr. Chambers wrote that he thought it would be wise to add to the list some of the more complicated colors, such as Victoria Blue, Chrysophenine and Eosine and the necessary intermediates, such as Nitrotoluol, Ethyl Bromide, Phosgene, Phenylalphanaphthylamine, Resorcin and Phthalic Anhydride.

The Committee took this subject into consideration and as a result added the following additional dyes to be suggested to the Commission in connection with the request of that body:

Eosine	Malachite Green
Alizarine Sapphirole	Methylene Blue
Magenta	Victoria Blue
Rhodamine B	Chrysophenine
Alizarine	Naphthylamine Black

The Secretary was also requested to write at once to Dr. Grinnell Jones giving him this list and telling him that the Committee would be perfectly willing to leave to him the selection of the basic intermediates. This was done so as to expedite matters.

The Secretary was requested to write to the Department of Commerce asking for a sufficient number

of copies to be sent to all the members of the Institute, of a report made by Dr. E. R. Pickrell, known as Miscellaneous Series #82, on Chemicals and Allied Products used in the United States.

Dr. Matthews reported his attendance at the American Cotton Manufacturers Convention and stated that the Secretary of that Association had asked him to take up with the Committee the advisability of membership in that Association by the members of the Dyes Institute. The Committee requested the Secretary to write to Secretary of the American Cotton Manufacturers Association giving him a list of the members of the Institute so that the former might, if he desired, solicit their membership in his Association from among the individual members.

Inasmuch as the next monthly meeting of the Institute was to be held at the Hotel Biltmore Friday, June 6th at one o'clock, it was decided to call a meeting of the Executive Committee for 12 o'clock at the Biltmore on that date.

The Secretary distributed among the members present, copies of the Bill introduced by Congressman Longworth providing for a tariff on Dyes, known as H. R. 2706, 66th Congress, 1st Session.

The Secretary also announced that he had sufficient copies for the rest of the members of the Committee but that that was all he could obtain for the present, stating that he might be able to secure additional copies later on.

There being no further business, the meeting adjourned until the date and place above named.

WM. R. CORWINE,
Secretary.

PLAINTIFF'S EXHIBIT No. 544.

MINUTES of an Executive Committee meeting of the American Dyes Institute held at the Hotel Biltmore, New York City, Friday, June 6th, 1919, at 12 o'clock noon.

In attendance:

Mr. August Merz
Dr. J. M. Matthews
Mr. M. R. Poucher
Mr. R. T. Baldwin
Mr. F. M. Fargo, Jr.

together with Mr. Henry Wigglesworth, Counsel, Mr. Arthur J. Eddy, Mr. H. E. Danner, Treasurer, and Mr. W. R. Corwine, Secretary.

Mr. August Merz was elected Chairman.

The Secretary read a letter from Mr. C. Cyril Bennett, his predecessor, as follows:

"The Executive Committee,
American Dyes Institute,
21 East 40th Street,
New York, N. Y.

Gentlemen:

I wish to extend my thanks to the members of the Executive Committee for the action which they took at their last session, authorizing a check to be sent to me for the month of May.

I have received a great many letters from various members of the Institute regarding my resignation, most of them so flattering and so very appreciative of my modest efforts that I feel as though my resignation has not taken effect at all. I stated to you gentlemen previously my sympathy is with you in all that you undertake, and

you can always rely upon my giving you anything within my power that will advance the cause.

With deep appreciation,

Very truly yours,

C. CYRIL BENNETT,
Treasurer Color Trade Journal, Inc."

It was ordered spread in the Minutes.

The Secretary then presented a communication from the Treasurer calling attention to the difficulties which frequently arose in obtaining the counter-signature on checks as required by the present rules of the Institute, and suggesting that the extra signature be not required, hereafter, and that in lieu thereof the Treasurer be bonded by a bonding institution. The suggestion was approved and the Secretary was requested to bring the matter before the Institute at its meeting to be held after luncheon.

The Secretary reported a suggestion which had previously been made for the increase in salary of Miss Segall, from $27.00 a week to $35.00 a week. Mr. Bennett had recommended that the increase be made and the Secretary stated that he was more than glad to endorse the recommendation. Thereupon it was unanimously declared that the increase be made.

There was then presented a letter from Mr. Franklin W. Hobbs, Pres. of the Arlington Mills supplementing a statement which had been made concerning the activities of the Kuttroff-Pickhardt Co., Inc., representing the Badische Company, enclosing copy of a letter from that firm making certain specific offers on powders and pastes.

There was also presented a letter from Frank Hemingway, Inc., announcing that that house had heard that a large dye house had ordered forwarded two tons of Victoria Blue, Swiss type, to be sold at $5.00 per pound, as and when imported.

Statement was made by the Secretary that copies of letters in both cases had been sent to Messrs. Garvan and Choate.

There was then presented a letter from the Ontario Dyeing Co. referring to the high prices of Sulphur Browns and Sulphur Blues and the lack of Develop Black, Develop Blue and indanthrene colors very much needed in the cotton line.

The Secretary was requested to send copy of that letter to Dr. Chas. H. Herty.

There was then laid before the meeting and read, a letter from Mr. Harold Otis of Steele & Otis, lawyers, transmitting a bill for legal services amounting to $1500 and disbursements amounting to $86.85, a total of $1586.85, and asking if the services rendered should be paid for by the American Dyes Institute as a whole or by the National Aniline & Chemical Co. Inc. alone, although the work was undertaken at the request of Dr. Mathison of that Company.

It was finally decided to lay this matter over until a subsequent meeting by which time other bills incurred in the same work would probably be in hand and decision could be reached as to what was the proper policy to pursue.

Mr. Poucher explained to the Committee the situation in Washington concerning the licensing bill which it was understood had been prepared to be introduced in Congress within a few days. Mr. Poucher expressed the opinion that it would be necessary for some of the committee with the Secretary to be in Washington so as to keep in touch with the situation as it developed, not only prior to the hearing of the Ways and Means Committee on the licensing bill (which would probably be held early in the week beginning June 23rd) but also to assist in every proper manner in aiding to secure the passage of the bill. It was decided that for this purpose there should be a

special committee appointed, and on authorization of the Executive Committee the Chairman announced the following as such special committee:

Messrs. M. R. Poucher, Mr. Henry Wigglesworth and Mr. R. C. Jeffcott.

That committee was given power to do everything that in its judgment ought to be done to procure the licensing bill; to retain counsel and such other aid as might be necessary; to incur the expenses incident upon the work of the committee and to raise the funds which would be required by an assessment upon the members of the Institute.

Mr. Wigglesworth made a brief statement concerning the conditions as he had found them to exist in France, to which place he had gone especially commissioned by the Department of Commerce to investigate the dye situation.

"Mr. Wigglesworth stated that among his duties as Trade Commissioner for the Chemical Industry he had been called upon while in Europe to attend the Rotterdam Conferences in regard to chemicals and dyes, and also various Inter-Allied meetings on the same subject in Paris. That on his arrival in Europe in February the conditions in Germany were just becoming known and understood. The shortage of foodstuffs there was alarming and likely to create a state of anarchy equal to that existing in Russia. It had therefore been concluded to supply foodstuffs to Germany. The bankers responsible for finding collateral discovered practically nothing but Potash and Chemicals (which of course included dyes). Fortunately, no hasty action resulted, as opposition to dye importations, emphatically expressed, developed on both sides of the ocean and the small values involved became more generally recognized at the Conference.

"The terms of peace now provide for delivery each month to the Allies during the armistice,

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of one-half of the existing stocks of German dyes, to be divided between the Allies in proportion to former importations. As Germany however is permitted to use or sell the balance in their own interest, their dyes might reach this country through neutral countries or from the Allies unless some system of control is adopted.

"For this reason the licensing system is now generally recognized as the only suitable medium for controlling such a situation. It has been adopted by England and is likely to be put in force in France and Italy. The President's own message made clear the necessity of legislation to prevent the United States from being put at a disadvantage in such situations.

"In addition to this a great deal of discussion developed at the peace conference with reference to the unfair practices employed by Germans in the dye markets and the terms of peace require Germany to enact such laws as are necessary for the adoption of the same commercial standards as are observed by the Allies."

Meeting adjourned to attend the luncheon of the Institute and the meeting of the Institute to be held afterwards, deciding to reconvene later.

AFTERNOON SESSION OF EXECUTIVE COMMITTEE.

The meeting was called to order by the Chairman at four o'clock, after all other sessions had been concluded.

In attendance at the afternoon session:

Mr. August Merz, Chairman
Mr. F. M. Fargo, Jr.
Mr. R. C. Jeffcott
Dr. J. M. Matthews
Mr. R. T. Baldwin
Mr. M. R. Poucher

together with Mr. H. E. Danner, Treasurer, Mr. Arthur J. Eddy, Counsel, and Mr. Wm. R. Corwine, Secretary.

There was some further discussion about the Washington situation and finally Mr. Poucher submitted copy, which had been furnished him, of a brief prepared by Mr. Choate to be used as the opening argument on behalf of the Dyes Industry and in favor of the licensing bill before the Ways and Means Committee of the House of Representatives whenever the hearing should be arranged for.

The Secretary read the brief and it was approved by unanimous vote of all the Executive Committee in attendance.

The Secretary thereupon asked for the views of the committee on the subject of participating in a movement inaugurated by the Chamber of Commerce of the U. S. A. in favor of the adoption of a National Budget by the U. S. Government. It was decided that inasmuch as the purposes of the Institute were largely of a scientific nature and whose work necessarily centered on the development of the Dyes Industry, it would be inadvisable to attempt to participate now in movements of that kind.

The Secretary also introduced some communications from the National Foreign Trade Council and he was authorized to send to members of the Institute a copy of the declaration of that Council concerning foreign trade as based on the recent Convention which had been held in Chicago.

There was submitted one of the Commerce Reports just received in which there was an item headed "Standardization of American Dyes for China." This was read to the Committee and the Secretary was instructed to bulletin it to all the members.

Further correspondence with the War Trade Board was submitted, bearing upon the subject of

purchase of books of enemy origin through neutral countries, to consider which a special committee consisting of Dr. Matthews and Mr. August Merz had been appointed at the meeting of May 29th. The Secretary reported that the Chemical Foundation Inc. had been requested to name a third member of the committee, but had not yet done so. He further stated that he had been informed that Col. McKay had submitted the matter to Mr. Garvan. This additional correspondence, together with previous letters, were taken over by Dr. Matthews, Chairman of that special committee.

The Secretary submitted further correspondence with the Tariff Commission in the matter of amplifying the list of dyes and intermediates in the list which had been originally prepared by the Commission, and concerning which the Committee had taken action at the meeting of May 29th. The Vice Chairman of the Tariff Commission had written that he had accepted certain suggestions as to additional dyes and had also added the necessary intermediates. The dyes and intermediates thus accepted by the Commission are as follows:

Eosine	Resorcin
Magenta	Phthalic anhydride
Malachite Green	Benzaldehyde
Naphthylamine Black	Dimethyl-p-phenylenediamin
Methylene Blue	O-Toluidin
	P-Toluidin

There being no further business the meeting adjourned.

WM. R. CORWINE,
Secretary.

The Secretary reported that he had sent to all members a copy of *Collier's Weekly*, issue of June 7th, containing an article by Samuel Hopkins Adams,

entitled "The Color Scheme of War" and the Committee gave the Secretary permission to have the article reprinted and send it to a list of retail drygoods and clothing merchants throughout the country, principally in the South and in the trans-Mississippi and Trans-Missouri zones. The Secretary announced that he had received permission from the magazine to reprint the article, giving, of course, credit to *Collier's*.

PLAINTIFF'S EXHIBIT No. 545.

MINUTES OF THE MONTHLY MEETING OF THE AMERICAN DYES INSTITUTE, HELD AT THE HOTEL BILTMORE ON FRIDAY, JUNE 6TH, 1919.

The meeting was called to order by Mr. August Merz, who had served as chairman of the Executive Committee meeting.

The Secretary presented a letter from Mr. Walter H. Cottingham, President of the Institute, in which Mr. Cottingham explained that it would be impossible for him to be present, expressing great regret at being unable to be with the other members.

The roll was then called. Those in attendance were:

The Ault & Wiborg Co. by	Mr. M. F. Holt
Consolidated Col. & Chem. Co.	Mr. Clarkson
E. I. duPont de Nemours Co.	Mr. M. R. Poucher
	Mr. E. V. Patterson
Dye Products & Chemical Co.	Mr. L. M. Lowenthal
	Mr. Simonson
Essex Aniline Works	Mr. Phineas Kent, Jr.
Grasselli Chemical Co.	Dr. J. M. Matthews
	Dr. R. N. Wallack
The Heller & Merz Co.	Mr. August Merz

Dow Chemical Co.	Mr. Jas. T. Pardee
Marden, Orth & Hastings Corp.	Mr. F. M. Fargo, Jr.
National Aniline & Chemical Co.	Mr. R. T. Baldwin
	Mr. H. H. Replogle
	Mr. H. Wigglesworth
	Mr. Patterson
Rector Chemical Co.	Mr. Hasit
Transatlantic Chemical Corp.	Mr. W. M. Stevenson

together with Counsel, Mr. Arthur J. Eddy, Secretary-Treasurer, Mr. H. E. Danner and general Secretary, Mr. Wm. K. Corwine.

The Chairman announced that the Minutes of the previous monthly meeting had been sent to all members and if there were no objections or suggestions for changes the minutes would stand approved. There being no recommendations of any kind the Chair thus announced.

The signed application of the Peerless Color Co., Inc., was presented, the Secretary announcing that the application had been approved by the Executive Committee and that the proposed new member had forwarded check for the dues.

On motion duly seconded and carried unanimously, the Peerless Color Co. was elected a member of the American Dyes Institute.

The Treasurer presented his report which showed a balance at the close of May of $20,141.42 with all accounts paid, and accounts receivable, $15,750.00. It was received and ordered on file.

The Secretary then presented the suggestion which had been made to the Executive Committee and approved by that committee, that the counter-signature now required to be placed upon checks be eliminated on account of the difficulty oftentimes, in fact,

generally, of obtaining the extra signature. This sometimes created embarrassment when funds were needed quickly. The further suggestion that the Treasurer be bonded, which had been presented to and approved by the Executive Committee, was laid before the meeting.

The following resolution was then introduced:

> RESOLVED: That from and after this date only one signature shall be required on the checks of the American Dyes Institute and that the signature shall be that of the Treasurer, Mr. H. E. Danner; that the Secretary advise the bank of the change in the regulations of the Institute and that the Treasurer be bonded by a surety company of standing, the amount of the bond to be arranged for between the Treasurer and the company which he selects for the bonding, and that the amount of the bond and the name of the company be reported by the Treasurer to the Executive Committee at its next meeting and at the next meeting of the Institute.

The motion was duly seconded and upon being put by the Chair was carried unanimously.

Dr. J. Merritt Matthews was called upon by the Chairman to report as Chairman of the Tariff Committee of the Institute. Dr. Matthews made a brief statement of the organization of the committee, setting forth that while the committee was watching the situation closely and was preparing to co-operate in whatever might be necessary to be done, yet for the immediate present it was awaiting developments.

The Chairman of the meeting, who is Chairman of the Standardization Committee, made a brief statement principally to the effect that his committee was endeavoring to harmonize the requests and suggestions made by various departments at Washington and that until there could be a harmonization on the

part of those departments, but little could be accomplished. He expected that before long the committee would be able to report material progress.

The Chairman then asked Mr. Fargo to report on the work of the Trade Committee of which he is Chairman. Mr. Fargo said that he was only able to report progress at the present moment.

The Secretary read the letter referred to in the Minutes of the Executive Committee coming from the Bureau of Enemy Trade of the War Trade Board at Washington concerning the co-operation sought by that Bureau, and announced that the Executive Committee had appointed a committee of two, consisting of Dr. J. M. Matthews, Chairman, and Mr. August Merz representing the Institute, and that the Chemical Foundation, Inc., had been asked to name a third member so that technical knowledge might be at the disposal of the Bureau to which applications had been made for licenses to import books of enemy origin through neutral countries.

Mr. Pardee announced that one of the applications to which the Bureau of Enemy Trade had referred, had emanated from the chemist of the Dow Chemical Co. who desired the books he applied for for use in the library.

The Chairman then called upon Mr. M. R. Poucher to explain to the members the situation at Washington in connection with the proposed Licensing Bill. This Mr. Poucher did, his statement being practically the same as that which he made to the Executive Committee and which was to the effect that he had understood that a licensing bill was prepared to be introduced into Congress in a few days and that he had been informed that it was the intention of the Ways and Means Committee of the House of Representatives to hold a hearing on that bill probably in the week beginning June 23rd.

Mr. Poucher announced that a special committee had been appointed by the Executive Committee consisting of Messrs. Wigglesworth, Jeffcott and himself as Chairman, to represent the Institute at Washington and to do everything within its power to further the interests of the dye manufacturers of this country.

At the request of the Chairman the Secretary told about the agent of the War Trade Board, a Mr. Ralph B. Miller, who had been assigned to the Advisory Board created by the War Trade Board for the purpose of obtaining information concerning the Dye Industry, colors manufactured, intermediates made in this country and such other information as would be necessary to guide the Advisory Board in reaching conclusions on any question which might be referred to it by the War Trade Board concerning applications for licenses for the importation of dyes, chemicals, etc., pertaining to the Dye Industry.

Mr. Poucher amplified a bit upon the work of the Advisory Committee, knowledge of which was already possessed by the members through a statement issued by the War Trade Board itself, copy of which had been sent to all members as well as published in the press.

The desire of the War Trade Board in its licensing plan was, he said, to issue licenses only to those desiring to import those dyes into the United States which were not made in this country, or were not made in sufficient quantities to meet requirements, or where there was no apparent effort being made to manufacture those dyes in the near future. It would, however, he thought, be the position of the Advisory Committee and of the War Trade Board itself, that if legitimate preparations were being made to produce certain colors, and if it were apparent that those colors could be produced in marketable quantities within the near future—say, within a few months—then that fact

would be taken into consideration in the issuing of licenses which might be applied for.

There was a discussion on some of the points brought out in the statements made by Mr. Poucher.

It was suggested that a certificate of membership be prepared which should be attractive in appearance and could be framed, and that that certificate should be furnished to each member of the Institute.

This suggestion was adopted and was supplemented by a further suggestion which was also adopted, that a committee of three consisting of two members of the Institute and the Secretary be appointed by the Chairman to prepare the certificate.

The Chairman appointed as such committee Mr. L. M. Lowenthal, Mr. F. M. Fargo, Jr., and Mr. Wm. R. Corwine, Secy.

Dr. J. M. Matthews was called upon by the Chairman to tell the meeting something of the Committee of Accountants. Dr. Matthews stated that the committee had met and organized and that preliminary steps had been taken to comply with the wishes of the Tariff Commission with regard to a uniform system of establishing cost factors as per the questionnaire which had been issued by the Commission, and that for the purpose of close co-operation between the Committee of Accountants and the Tariff Commission there had been a conference at Washington, which he had not been able to attend but which the Secretary had attended. Dr. Matthews expected that within a short period there would be a basis arrived at which would harmonize with the desires of the Tariff Commission and of which the members would be duly informed.

The Secretary was then called upon by the Chairman to inform the members of some of the details of the visit at Washington.

This the Secretary did, setting forth that all the committee were particularly pleased at the reception which was accorded them by the Tariff Commission; that most of the members of that Commission had been in attendance at the session; that Commissioner Page had called the meeting to order and had addressed all those present; thereupon he had resigned the Chair to Mr. Culbertson, also one of the Commission, who sat throughout the entire conference which lasted from two in the afternoon until about six in the evening; that besides the members of the Commission present there were also in attendance: Mr. Geo. C. Comer, Chief Accountant; Dr. Grinnell Jones, Chief Chemist; two of his assistants, one of whom was Dr. A. R. Willis, in direct charge of Dyes, and several other attaches of the Commission; that after discussion some of the points in the questionnaire had been eliminated and in some cases they had been amplified; that those in attendance on behalf of the Institute felt that the specific knowledge which they had lacked as to the desires of the Commission had been imparted to them in such a way as to effect a complete understanding between these two bodies, namely: The Committee of Accountants of the American Dyes Institute and the Tariff Commission of the United States.

Mr. Eddy stated that ten companies had filed with Mr. Danner the figures which had been called for in the questionnaire which had been prepared by the Open Price Division and made an appeal for other members to join in filing similar prices.

It was decided to hold the next meeting of the Institute on Thursday, July 10th, 1919, at the Hotel Biltmore, the meeting to be preceded by a luncheon in the usual way.

There being no further business the meeting adjourned to the date and place named.

WM. R. CORWINE,
Secretary.

WRC/VS

PLAINTIFF'S EXHIBIT No. 546.

A meeting of the Executive Committee of the American Dyes Institute was held on Friday, June 27th, 1919, at 2 P. M. in the rooms of the Institute, 21 E. 40th St., New York City.

Present:

Dr. J. Merritt Matthews
Mr. M. R. Poucher
Mr. R. T. Baldwin
Mr. A. Merz
Mr. H. E. Danner, Treasurer.

Dr. Matthews acted as Chairman.

The Chairman presented to the Committee the signed application for membership of the Newport Chemical Works which the Committee approved to be presented at the next meeting of the Institute.

Mr. Poucher brought before the Committee the revised Longworth bill H. R. 6495 and voiced the opinion that the entire bill ought to be re-written to include a definite provision for the same tariff on intermediates as on dyes, as advocated by Dr. Herty before the Ways and Means Committee; also that the bill ought to be re-written in terms which would simplify its provisions and allow of no misinterpretation. To this suggestion the members readily agreed and it was understood by the members present that they were to bend their efforts towards accomplishing this.

Mr. Poucher handed to Mr. Danner Mr. Corwine's letter of June 26th relating the latter's activities in Washington in connection with the proof-reading and correcting of the records of the Dyestuff hearing last week in Washington before the Ways and Means Committee, which letter Mr. Danner read aloud to the

members who expressed approval of Mr. Corwine's prompt attention and close application to the work.

Mr. Danner submitted the bill rendered by Major T. W. Sill for expenses incurred by the latter in taking a trip to Washington to appear before the Ways and Means Committee on behalf of the Dyestuff Industry, and asked if the payment of this bill was approved by the Committee. The Committee promptly approved payment of the bill, whereupon Mr. Danner stated that he would communicate with Major Sill and ask the latter to change the bill from being addressed to "Alien Property Custodian" to "The American Dyes Institute."

The Treasurer reported his balance on hand as $17,608.25, accounts payable, $5000 loaned by five members of the Executive Committee towards the undertaking of the preliminary work in connection with the Chemical Foundation, Inc., and accounts receivable, $9,519.83 from Chemical Foundation, Inc., and $15,250.00 unpaid dues and assessments.

The Chairman called to the attention of the Committee the fact that the Secretary had contracted for space at the Chemical Exposition to be held in Chicago in September.

In connection with the amount of unpaid dues and assessments Mr. Danner requested the Committee to give him permission to go into this matter carefully with Mr. Corwine when the latter had the opportunity to do so, and determine upon what course of action to pursue in the case of the members who have not yet paid their dues, and what disposition was to be made of the record of unpaid assessments. To this request the Committee readily assented and Mr. Danner was instructed to take the matter up with Mr. Corwine at the first opportunity.

Mr. Danner also reported that he had taken out a

bond for $20,000 with the American Surety Co. at a cost of $50 yearly.

Dr. Matthews called the attention of the Committee to a confidential report from the American Consul at Canton, China, relative to the conditions of the dye market in that country, sent to Mr. Corwine by the Department of Commerce. The Committee requested that this report be circulated among the members of the Institute marked "confidential."

Dr. Matthews presented for the attention of the Committee, a letter addressed to the Institute by Comptoir Nord-Americain (North-American Trading Company) of 150 Nassau St., New York City, asking for an appointment with the Secretary relative to putting his company in touch with American manufacturers of dyestuffs interested in exporting their products to France and Belgium, which letter the Committee requested be circulated among the members of the Institute.

Owing to the necessity of early departure of some of the members of the Committee the meeting adjourned at 3:20 P. M.

PLAINTIFF'S EXHIBIT No. 546-A.

June 25th, 1919.

To the Members of
AMERICAN DYES INSTITUTE.

Gentlemen:

The following is a summary of the report of your committee on Licensing and the Tariff.

On May 23rd, 1919, Congressman Nicholas Longworth of Ohio introduced into the House of Representatives a bill providing for an increase in the tariff on Coal-Tar Dyes, known as H. R. 2706.

The Ways and Means Committee called a hearing on this bill and invited the Chemical Foundation Incorporated and the American Dyes Institute to appear before the Committee. This hearing took place in Washington on Wednesday, Thursday and Friday, June 18th, 19th and 20th, 1919.

The following program was arranged and carried out:

(1) Judge J. Harry Covington of Washington, formerly a member of Congress and recently a Judge of the Supreme Court of the District of Columbia, made the introductory address.

(2) Major General W. L. Siebert, U. S. A., Chief of the Chemical Warfare Service in the United States spoke of the lack of preparedness which hampered the work of the Chemical Warfare Department in explosives, gases, etc.

(3) Lieut. Col. Amos Fries, U. S. A. Chief, Chemical Warfare Service of the American Army in France, whose testimony bore on conditions in Allied countries abroad, also due to the lack of preparedness in the Dye Industry which was absolutely necessary for the production of explosives, gases, etc.

(4) Lieut. Commander A. M. Hustudt, U. S. N. Bureau of Ordnance, whose testimony was along the same lines as that of General Siebert and Col. Fries.

(5) Major T. W. Sill, U. S. A. Member of the Commission which visited dyestuff factories in Occupied Territory was to have testified but was obliged to leave Washington owing to the delay in beginning the hearings. He prepared a statement which was subsequently filed with the committee and which will be printed in the proceedings.

Having shown from the testimony of the foregoing the value and importance of the Industry from the standpoint of National Defence the next step was to show the need of the Industry from the standpoint of the Medical Profession.

(6) Dr. Julius Stieglitz, Chairman of the National Research Council in Synthetic Medicinals, head of the Department of Chemistry of the University of Chicago and formerly President of the American Chemical Society, amplified his subject of Synthetic Medicinals unavailable through lack of preparedness.

The third step concerned the producers and the consumers of dyestuffs, and the following witnesses appeared.

(7) Mr. Rufus R. Wilson, Secretary of the National Cotton Mfrs. Assn. and Secretary of the Council of that Assn. and the American Cotton Manufacturers' Assn. also representing Mr. James R. McCall, Chairman of that Council, in turn representing cotton consumers both North and South, spoke for both organizations and strongly advocated the development of the Industry and also made a very forceful appeal for the Licensing system.

Following Mr. Wilson came a few individual representative manufacturers in various branches of the Textile Industry as follows:

(8) Mr. Frank D. Cheney of Cheney Bros., silk manufacturers, spoke as a consumer and emphasized the necessity for developing the Industry in this country, advocating the Licensing system.

(9) Mr. Andrew C. Imbrie, Treas. of the U. S. Finishing Co. also spoke as a consumer along the same lines as did Mr. Cheney.

(10) Mr. Franklin W. Hobbs, President of the Arlington Mills, had come to Washington at the request of the Committee but had to return to Boston before the hearings began. He prepared a statement which was subsequently filed with the committee and which will be printed in the record of the proceedings.

(11) Mr. D. F. Waters, President of the Master Dyers' Assn. of Philadelphia had to return to his city, but like Mr. Hobbs and Major Sill, prepared a statement which Congressman Moore introduced into the record where it will be printed.

(12) Mr. Chas. L. Auger of the National Silk Dyeing Co. had come prepared to testify as a consumer but he, too, was obliged to return, leaving a statement which was filed and will be printed.

In addition to the foregoing there were presented to the Committee and ordered printed in the record, the names of something over 500 signers to the memorial to the President of the United States. This list covered a wide range geographically and included the representative concerns in all dye-consuming industries.

This brought the hearing to the fourth step, namely, the introduction of testimony concerning the development of the Chemical and Dyestuff Industry in the United States since August 1st, 1914. The witnesses called to speak on this subject were as follows:

(13) Mr. Joseph H. Choate, Jr., General Counsel of the Chemical Foundation Incorporated and

advisory counsel for the American Dyes Institute, who occupied, with the consent of the Ways and Means Committee, an entire day in presenting the subject to that Committee. It was an unusually forceful and illuminating address and produced a very favorable effect. In connection with Mr. Choate's address you will find in the record a number of documents obtained from various departments of the Government and now published for the first time.

(14) Dr. Charles H. Herty, formerly President of the American Chemical Society. Dr. Herty reviewed his testimony before the Ways and Means Committee at a hearing held under the "Hill Bill" in 1916 and pointed out the development in the Industry since then and the changes that had taken place resulting in a revision of views concerning the needs of the Industry. Dr. Herty advocated

(a) the Licensing system
(b) an increase in the tariff
(c) the same rate for intermediates as for finished dyes

During the hearing it developed that various members of the Committee were particularly anxious to know whether or not the new Industry had been established on a firm foundation and likely to survive if amply protected and particularly during the next few years.

(15) Mr. D. W. Jayne of the Barrett Co. had come from New York to testify but was obliged to go home before he was reached. He filed a statement on the production of crudes and intermediates which was introduced into the record.

(16) Dr. J. Merritt Matthews, who had been selected to speak for the manufacturers collectively under the name of the American Dyes Institute, presented a brief which will appear in full in the record. It is a very comprehensive statement and also answers a number of questions asked by various members of the Ways and Means Committee during the early part of the hearing. This document gives a comprehensive review of the Dye Industry bringing the record up to date.

The Tariff Commission, at the request of the Ways and Means Committee, prepared a "Report on Dyes and Related Coal Tar Chemicals" bringing their work up to date. This report was presented by:

(17) Dr. Grinnell Jones of the Tariff Commission and will appear in full in the record of the hearings.

In addition to the foregoing the Ways and Means Committee called from among those present:

(18) Mr. Herman A. Metz of New York who advocated a higher tariff and favored the Licensing plan.

(19) Mr. Louis Frusher of the U. S. Worsted Co. advocating a higher tariff and favoring the Licensing system.

The probabilities are that the Longworth Bill will be reported by the Ways and Means Committee at an early date. In the meantime we refer to (a) a press report sent out from Washington under date of June 23rd and printed in yesterday's New York Journal of Commerce, copy attached; (b) enclosed copy of Mr. Choate's brief on the Licensing plan as submitted to

the Ways and Means Committee and amplified by him in his address.

The Ways and Means Committee will have ready for distribution probably inside of two weeks, the full text of the hearing including the various exhibits introduced by Mr. Choate, Dr. Herty, Dr. Matthews and others.

Mr. Corwine has arranged with the Ways and Means Committee to have a copy sent to each member of the Institute immediately upon publication.

During the hearing it became apparent that the attitude of the various consuming industries toward the Licensing plan was a matter of the utmost importance.

The Institute has received to date from all of its members approximately 600 signed copies of the memorial to the President. Later on (probably during July) there will be another hearing before the Senate Finance Committee and for this purpose we should have a very much larger list of signers, 5000 if possible. We therefore urge all members of the Institute to co-operate in this matter.

Respectfully submitted,

SUB COMMITTEE of the EXECUTIVE COMMITTEE of AMERICAN DYES INSTITUTE.

M. R. Poucher, Chairman
R. T. Baldwin,
R. C. Jeffcott.

Countersigned
WM. R. CORWINE, *Secretary.*

PLAINTIFF'S EXHIBIT No. 547.

MINUTES of a monthly meeting of the American Dyes Institute held at the Hotel Biltmore, New York City, Thursday, July 10th, 1919.

The meeting was called to order by the Secretary who called for nominations for chairman.

It was moved and seconded that Mr. August Merz be elected Chairman of the session. There being no further nominations the Secretary called for a vote and Mr. Merz was unanimously elected and thereupon took the chair.

There being no objections to the Minutes of the previous meeting held June 6th, 1919, copy of which had been sent to all members, the Chairman declared that the Minutes were approved.

The Roll was called and the following firms were present, represented as follows:

(American Aniline Products, Inc. not present)	
Atlas Color Works, Inc.	Mr. Alfred J. Thieme
The Ault & Wiborg Co.	Mr. A. C. Davis
	Mr. F. B. Wiborg
John Campbell & Co.	Miss Minna H. Simmons
Consolidated Color & Chemical Co.	Mr. H. A. Metz
E. I. du Pont de Nemours & Co.	Mr. M. R. Poucher
	Mr. E. V. Patterson
	Mr. Porch
Dye Products & Chemical Co.	Mr. Sidney Simon
	Mr. L. M. Loewenthal
Essex Aniline Works Inc.	Mr. Phineas Kent
Grasselli Chemical Co.	Dr. J. M. Matthews
The Heller & Merz Co.	Mr. August Merz

The Dow Chemical Co.	Mr. James T. Pardee
Marden, Orth & Hastings Corp.	Mr. F. M. Fargo, Jr. Mr. R. C. Jeffcott
National Aniline & Chemical Co.	Mr. Henry Wigglesworth Mr. R. T. Baldwin Mr. H. H. Rephogle
Naugatuck Chemical Co.	Mr. Wm. Valentine
Rector Chemical Co.	Mr. J. H. Buck
Peerless Color Co. Inc.	Mr. R. W. Cornelison Mr. A. L. Benkert
The Sherwin-Williams Co.	Mr. J. B. Hasson Mr. W. S. Woodrow
Transatlantic Chemical Corp.	Mr. W. M. Stevenson
U. S. Color & Chemical Co.	Mr. John O'Day
Tower Manufacturing Co. (on invitation)	Mr. D. H. Jonas

together with Mr. H. E. Danner, Treasurer; Mr. Arthur J. Eddy, Counsel and Mr. Wm. R. Corwine, Secretary.

The membership application of the Newport Chemical Works Inc., which had been approved by the Executive Committee, was presented to the meeting and on motion duly made and seconded, the corporation was unanimously elected to membership.

The membership application of the Barrett Company was also presented, it having received the approval of the Executive Committee, and on motion duly made, seconded and carried that company was unanimously elected to membership.

The Secretary was called on to make his report. He made an oral statement, stating that as he had been in Washington practically all the time since the last meeting, where he had been stationed in connec-

tion with proposed Dye Legislation, he had not made up any official report and felt that as the Washington situation was the most interesting one at present and the one to which the attention of the members was directed, he would not take up the time of the meeting with a presentation of the detailed matters which the Executive Committee had had under consideration, and with which most of the members of the Institute were familiar.

The position of the Secretary in this matter was approved.

The Treasurer thereupon made his report which is as follows:

June 1, 1919 Balance		$20,141.42
Received in June		841.18
		20,982.60
Expenditures		3,881.68
		$17,100.92
Accounts Payable	$5,000.00	
Accounts Receivable	24,394.82	

The Treasurer added that in the Open Price Section, in response to a circular which had been sent to the members, the following is a digest of the results therefrom, where members supplied the information concerning the products offered for sale by them since June 26th, 1919:

"Record of Products offered for sale by Members since June 26, 1919:

Dinitrochlorbenzol	Sodium Sulphide
Calcium Chloride	H Acid
Benzo Blue B. B.	Diamine Green
Direct Union Navy Blue	Beta Napthylamine
Meta Toluylene Diamine	Dinitrobenzol

Paranitrophenol

Mr. Eddy, Counsel, made a statement concerning the work of the Open Price Section, which was filed with Mr. Danner, Secretary of that Division.

The Chairman thereupon called upon Mr. M. R. Poucher, Chairman of the Sub-Committee of the Executive Committee in charge of dye legislation to make a statement concerning the work which had been done by his Committee. Mr. Poucher stated that inasmuch as the Secretary had kept the members advised by bulletin, it was not necessary to go into details. He, however, briefly reviewed the position of the Bill now before Congress and said that every effort would be made to carry the matter to a successful conclusion.

The Chairman called upon Mr. L. M. Lowenthal as Chairman of the Committee appointed at the last meeting to consider the preparation of a certificate of membership, the other members of the committee being Mr. F. M. Fargo, Jr., and Mr. Wm. R. Corwine, Secretary. Mr. Lowenthal said the subject was under consideration and reported progress.

The Secretary made a report of the number of pamphlets entitled "The Chemical Foundation Incorporated" which had been sent out through the Rapid Addressing Machine Co. and which had also been mailed from the office of the Institute. He stated that inquiries were being received daily for copies and that there was under consideration a plan whereby the Chemical Foundation Inc. would send out further quantities of these Booklets to retailers throughout the Country.

The Secretary also reported the execution of a contract for space in the Fifth National Exposition of Chemical Industries to be held in Chicago, week of September 22nd, 1919, the place being the Coliseum and First Regiment Armory. He also stated that the manager of the Exposition had supplied the Institute with some poster stamps to be used on its mail, calling

attention to the fact that the Institute would be represented at the Exposition.

There was a discussion which was participated in by several members, on the subject brought forward by Mr. Robert T. Baldwin concerning the advisability of following up through the sales manager or salesmen, all technical advertising done by members, so as to add to its effectiveness. Some members said that this was already being done; others said that nothing in that direction had been undertaken.

Mr. R. W. Cornelison of the Peerless Color Works spoke of the necessity of educating the public on colors so that knowledge might become more wide-spread as to conditions under which some colors were manufactured, and to generally disseminate more accurate information among the retailers and the consuming public. As this subject had been dealt with in a brief submitted to the Ways and Means Committee of the House of Representatives by Dr. J. Merritt Matthews, reference to it was made by Mr. Baldwin who said that his company was going to reprint Dr. Matthews' brief and use portions of it extensively.

Dr. Matthews thereupon told of some correspondence with the Bush Terminal people stating that at the request of the Institute he had prepared an article to be published in a bulletin to be issued by the Bush Terminal Sales Co., which would be widely distributed among retailers and buyers throughout the country, and that in the article he had treated some phases of the subject referred to by Mr. Cornelison, and along the lines upon which he had written in his brief submitted to the Ways and Means Committee.

The Secretary also reported that arrangements had been made for an article to be inserted in a magazine called "The Nation's Business" which was published monthly by the Chamber of Commerce of the U. S. A. and widely circulated throughout the entire

country. The article includes from 2000 to 2500 words. It is hoped that it will be signed by Mr. Choate. It will treat of the difficulties in the manufacture of colors. The Secretary requested that all the members read the magazine, the next issue of which will be published in August, 1919.

The Chairman called upon Mr. A. C. Davis of the Accountants' Committee to report on behalf of that Committee in view of the absence of Mr. J. M. Gaines, Chairman of that Committee. Mr. Davis gave a digest of the work which had been done by that Committee and stated that he did not have with him at the time, copy of the report which the Chairman had prepared, but in substance it was that the Committee recommended that:

> All members of the Institute file their reports direct with the U. S. Tariff Commission without delay.
>
> That the Members submit in addition to the blanks which had been issued by the Tariff Commission, full explanatory schedules and other information that they might desire to furnish as to cost of materials manufactured by themselves, with special reference to the labor accumulated in such materials;
>
> That the company's own cost sheets for the period under report, as called for in the questionnaire of the Tariff Commission, would also be desirable additions;
>
> That any reports which members might make be taken to the Tariff Commission in person so that there might be a discussion at first-hand, rather than by correspondence, on any points which members might care to raise in connection with their respective reports.

The date of the next meeting was fixed for Thursday, August 7th, 1919, at the same time and place.

There being no further business the meeting adjourned.

PLAINTIFF'S EXHIBIT No. 547-A.

HOTEL BILTMORE, July 10th, 1919, 10:15 A. M.

The Sub-Committee of the Executive Committee of the American Dyes Institute, appointed in charge of proposed Dye Legislation in Washington, held a conference with Mr. Edwin L. Kalish, of 27 William Street, New York City, in connection with a number of amendments which had been proposed to the present Longworth Bill now before the Ways and Means Committee of the House of Representatives.

These amendments had been worked out by a committee of chemists representing dye manufacturers whose aim had been to simplify the bill and to draw into one group the intermediates and the finished products. This necessitated the recasting of most of the present bill.

The Committee with Mr. Kalish were in session until 1:30 P. M.

The changes adopted will be submitted to the Ways and Means Committee, possibly through Judge Covington and Mr. Choate, or through other channels.

As all the members of the Sub-Committee are members of the Executive Committee the meeting of the latter, scheduled for 12 M., was adjourned until after the meeting of the Institute which was to be held after luncheon.

PLAINTIFF'S EXHIBIT No. 548.

MINUTES of a meeting of the Executive Committee of the American Dyes Institute held Thursday, July 10th, 1919, at the Hotel Biltmore, New York City.

In attendance:

Dr. J. M. Matthews
R. C. Jeffcott
M. R. Poucher
R. T. Baldwin
August Merz
A. B. Davis, representing M. F. Holt for the Ault & Wiborg Company

together with Mr. H. E. Danner, Treasurer; Mr. A. J. Eddy, Counsel, and Mr. W. R. Corwine, Secretary.

In addition there were present Mr. Frank B. Wiborg and Mr. Henry Wigglesworth.

On motion duly made, seconded and carried, Mr. August Merz was elected Chairman.

The Minutes of the last meeting, copy of which had been sent to all members, were declared approved, no objections having been filed.

The application of The Barrett Company for membership in the American Dyes Institute was presented and approved.

The Secretary was authorized to subscribe to a clipping bureau during the pendency of the dyestuff bill in Congress.

So far as communications regarding foreign markets were concerned the Committee laid down the general rule that in all such instances the Secretary should bulletin the information to the members without further reference to the Executive Committee, leaving it to the members to take such action in connection therewith as they might desire.

This ruling was based, for the time being, upon two communications which the Secretary presented; one from the American-Roumanian Export & Import Co., and the other from a Mr. Heggelund of Kristiania.

There was then laid before the Committee a telegram from Mr. W. D. Adams, Secretary of the American Cotton Manufacturers' Association concerning the possibility of obtaining membership in that Association by the members of the American Dyes Institute. Mr. Adams' telegram also referred to a similar policy in connection with the National Association of Cotton Manufacturers. The members of the Committee felt that it would be an excellent thing if close co-operation could be established between these two great Associations representing dye consumers, and the manufacturers of dyes, and the Secretary was instructed to write to Mr. Adams and Mr. Rufus R. Wilson, Secretary of the National Assn. of Cotton Mfrs., asking them to furnish the Institute with a list of their members, indicating thereon those dye manufacturers that were already members in either one or both of the two organizations.

The Secretary was also requested to ask both Secretaries of the cotton organizations to send him application blanks for membership, which in turn can be sent to the members of the American Dyes Institute.

The question of making a survey of South American conditions so far as they might affect Chemical and Allied Industries was discussed, and it was announced that Dr. J. E. Zanetti of the Columbia University would be willing to visit South America and make a complete survey, but that the remuneration which he would receive, were he appointed by the Government to do that work, would be too small for a man of his capacity to accept as an income, but that if we guaranteed him a satisfactory amount he probably would be willing to go, representing the Manufacturing

Chemists' Association, the American Dyes Institute and certain other organizations interested in the development of South America.

As the raising of the fund required therefor would necessitate an assessment, it was decided to lay the matter over for the time being.

Dr. Zanetti had been connected with Chemical Warfare work and had made a fine record in Paris where he had been on behalf of the Government. He is Cuban by birth. His wife was a South American. He speaks Spanish and French as well as English and has an education along chemical lines. It was asserted on his behalf that he was the ideal man for making the survey suggested.

At this point Mr. Merz had to leave the meeting and Mr. R. T. Baldwin took the chair.

The Secretary read a notice from the War Trade Board to the effect that its present duties, powers, functions and records had been transferred to the Department of State as of July 1st, 1919, but that the transfer would not affect the exporting and importing public in any way. The notice stated that all licenses hitherto issued by the War Trade Board would continue to be valid except such ones as were specifically mentioned in the notice, but which did not affect the Dye Industry.

The functions of the War Trade Board, as set forth, would continue to be performed with the present personnel of that Board in its office at 20th and C Streets, Washington, D. C. and that all applications for licenses and all correspondence pertaining to the activities of that Board should be addressed to it as hitherto.

The Secretary presented and read a written report of the Accountants' Committee, which was approved. Subsequently there was ordered upon the Minutes certain extracts therefrom, these extracts to be sent to all members of the Institute:

"It was strongly recommended that all the members of the Institute file their reports direct with the Commission without delay. The Tariff Commission urgently requests this. It is suggested by your Committee that the members submit in addition to the Commission blanks, full explanatory schedules and also any other information they may desire as to costs of materials manufactured by themselves, with special reference to the labor accumulated in such materials. Companies' own cost sheets for the period under report would also be desirable additions. In the opinion of the Committee it would be desirable for the company accountant to file the report with the Tariff Commission in person in order to make such verbal explanation and amplification as opportunity permits, in this way better acquainting the Commission with the detail of this complicated new Industry.

The Standardized Cost Methods. Your committee, in discussing this report, has found considerable profit already in the discussion of cost methods and suggests to the Institute that it might be well for its activities to be continued in this direction, looking to standardized costing methods, especially in the treatment of overhead expenses, of by-products, of obsolescense of equipment, treatment of experimental and development work, of spoiled product, or that decomposing after manufacture, etc."

The Treasurer stated that he was about leaving on a vacation and that as the Secretary, representing the Sub-Committee of the Executive Committee in charge of legislation, might need funds, he wished authority to place such funds in the hands of the Secretary who would open a special account in Washington and render a statement on the return of the Treasurer. This was authorized.

There being no further business the meeting adjourned.

PLAINTIFF'S EXHIBIT No. 549.

MINUTES OF A SPECIAL MEETING OF THE EXECUTIVE COMMITTEE OF THE AMERICAN DYES INSTITUTE HELD AT THE CHEMISTS' CLUB, NEW YORK CITY, MONDAY EVENING, AUGUST 4TH, 1919.

In attendance:

Dr. J. M. Matthews,
Mr. M. R. Poucher,
Mr. R. C. Jeffcott,
Mr. R. T. Baldwin.

Mr. W. H. Watkins was also present by invitation.

Owing to the absence of the Secretary in Washington Dr. J. M. Matthews acted as Secretary.

The Sub-Committee of the Executive Committee in charge of legislation, through its Chairman, Mr. M. R. Poucher, made a report of what had been done in Washington recently and stated that the committee had reached the conclusion that it would be advisable to run off 10,000 copies of the various reports of the hearings, which are now contained in seven different pamphlets. The idea was to assemble these pamphlets and have them run off and bound together in one volume. Arrangements had been made whereby the Government printing office, which, of course, printed the original issues, would do this work at the expense of the Institute, and the committee was of the opinion that the work ought to be centered in that office because the material was already in type, and therefore the expense of such an issue would be far less than if the pamphlets were taken to some outside printer who would have to reset the entire matter which occupies 736 pages. The cost of doing this work by the Government would be $594.88 for the first 1,000 copies; $342.90 for each additional thousand. The cost, there-

fore, for 10,000 copies would be $342.90 multiplied by nine, which would equal $3086.10, to which amount there would have to be added the cost of the first thousand, $594.88, making the total cost $3680.98. This estimate was based upon some additional matter which the committee would like to have printed; *i. e.*, the bill as it was reported by the Ways and Means Committee of the House of Representatives, the majority report of the committee, prepared and filed by Congressman Longworth and the minority report which was subsequently filed by Congressman Moore. Mr. Longworth's summary of the bill was a very clean-cut document and one which the committee felt ought to be bound up with the Hearings. In doing that, however, it seemed only ethical that the minority report should also be included.

DR. J. M. MATTHEWS,
Acting Secretary.

The Executive Committee approved the report which was made orally by Mr. Poucher and authorized the Treasurer to expend the amount of money necessary to carry out the plan of the Committee for printing and circulating 10,000 copies of the various hearings before the Ways and Means Committee in the matter of dyestuff legislation.

There being no further business the meeting adjourned to reconvene at the next regular meeting which had been scheduled for Thursday, August 7th, 1919, at 12 M.

DR. J. M. MATTHEWS,
Acting Secretary.

PLAINTIFF'S EXHIBIT No. 550.

MINUTES,
EXECUTIVE COMMITTEE,
August 7th, 1919.

Minutes of the regular monthly meeting of the Executive Committee of the American Dyes Institute held at the Hotel Biltmore, New York City, Thursday, August 7th, 1919, at 12 M.

In attendance:

Mr. August Merz,
Mr. R. T. Baldwin,
Dr. J. M. Matthews,
Mr. F. M. Fargo, Jr.,
Mr. E. V. Patterson (attending in place of Mr. Poucher who was out of town)

and Mr. H. E. Atherton, on invitation, together with Mr. W. R. Corwine, Secretary.

Mr. E. V. Patterson was elected Chairman of the meeting.

As the Minutes of the last meeting had been sent out to the members of the committee and there were no objections or corrections made the Minutes were approved.

The application for membership of the Tower Manufacturing Co., Inc., which had been signed and filed, was laid before the committee. As there was no one present who had definite knowledge of the work of that company the matter was laid over until the next meeting.

The Secretary was instructed hereafter when applications for membership were filed with him, to send copies of such application to all the members of the Executive Committee in advance of the meeting at which the application was to be presented.

Attention was drawn to a conference to be held at Atlantic City during the week beginning Sept. 29th under the auspices of the Chamber of Commerce of the U. S. A. The Secretary explained that this conference had been called to consider international post-war trade conditions. To it, he said, there had been invited delegates of representative business men from all the Allied nations and that many of the Allies, especially the larger ones, such as England, France and Italy, had accepted the invitation and already had appointed delegates. All the associations belonging to the Chamber of Commerce of the U. S. A. had been invited to have representatives at the conference. The Secretary was named as the official representative of the Institute and it was understood that he would bulletin all the members concerning this conference, emphasizing its importance and suggesting that as many members as possible attend.

The matter of the National Exposition of Chemical Industries to be held in Chicago the week beginning Sept. 22nd was brought forward and discussed. It was announced that many members had already taken space on their own individual account, but it was thought that the Institute ought to have an Exhibit, preferably a chart showing its membership and other matters of interest connected with the Institute and its work; also that this would be a good opportunity for further distribution of the Chemical Foundation, Inc., pamphlets and of the bound volume of the Hearings of the Dyestuff Bill which it was proposed to print.

Finally a committee was appointed to arrange for the Exhibit. That committee, as named, consists of the Secretary, Mr. Wm. R. Corwine, Chairman, Dr. J. M. Matthews and Mr. August Merz.

Concerning the Chemical Convention of the American Chemical Society to be held in Philadelphia

Sept. 2nd to 6th, at the Hotel Bellevue-Stratford, it was thought that inasmuch as the American Dyes Institute was not a member of that association it would not be necessary for the Executive Committee officially to take any action, but it was announced that many of the members of the Institute would unquestionably be in attendance and it was stated that several members had already been approached to prepare addresses to be delivered during the convention.

There was laid before the meeting a letter from the Treasurer transmitting a communication which had been addressed to the American Dyes Institute, dated at Reading, Pa., July 30th, 1919, and signed by several dye consumers. It was reported by some members of the committee that a similar communication from the same consumers and on the same subject had been received by them. The substance of this letter was that dye manufacturers ought not to send technical experts to teach the consumers of dyes how to use them. It was asserted that there was no more excuse for this being done than there would be for a farmer to send an expert to show a miller how to make flour, or a furnace company to instruct a foundry, or a Dinitrochlorbenzol manufacturer to instruct the dye maker how to make Sulphur Black. The letter closed with an appeal to the Institute to do something to change the policy referred to. Those who received similar communications agreed to answer them direct, and the Secretary was requested to reply to the letter, stating that the Institute as a body had no authority to regulate the policy of individual members, but that each must work out his own problem for himself.

The Secretary asked for instructions concerning a suggestion which had been made by the Universal Leaf Tobacco Co. which occupies the greater part of the tenth floor at 21 East 40th Street, on which the office of the American Dyes Institute is located, which

was to the effect that the Institute move to the 18th floor in a room which was in the same locality—on the floor as the one now occupied by the Institute with the same floor space. This request was made because the Universal Leaf Tobacco people desire to occupy more space on the floor than they now do, and while the rent of the room on the 18th floor is at the rate of $1700 per year, as against $750 a year now paid by the Institute, The Universal Leaf Tobacco Co. offer to pay the difference up to May 1st, 1920. The Secretary reported to the Committee that the change could be easily made and he was instructed to go ahead and move if he were willing so to do.

Memo. The Secretary subsequently called upon the Universal Leaf Tobacco Co. (speaking to its Vice President) and also inspected the room on the 18th floor, #1807. The room is very much better than the present one occupied by the Institute, in that it has more light and is sub-divided so that the Secretary can have a private office. There are two windows on the west side, whereas in the office now occupied by the Institute the west side is a solid wall. It was learned, however, that the tenants in Room 1807 did not expect to move until October 1st on which date their lease expires. It was thereupon agreed between the Universal Leaf Tobacco Co. and the Secretary that the American Dyes Institute would move up to Room 1807 as soon as it was ready for occupancy, the Universal Leaf Tobacco Co. agreeing to pay the cost of moving the office furniture, and as set forth in their letter, also pay the difference between the rate of $1700 for the Room 1807, and $750 per year now being paid by the Institute for Room 1007. It was agreed that there would be no obligation of any kind by the Institute after May 1st, 1920. The foregoing was set forth in a letter which the Secretary wrote to the Universal Leaf Tobacco Co.

The situation in regard to membership by members of the American Dyes Institute in the National Assn. of Cotton Mfrs. and the American Cotton Manufacturers Assn. was discussed. The Secretary said that he had been in correspondence with Messrs. Wilson and Adams, the secretaries respectively of those two organizations, and had prepared a communication to be sent to the members of the Institute. He stated, however, that he would like to have some member go over it with him before it was put in shape for mailing. It was suggested to him that he send a copy of the draft to each member of the Institute inviting suggestions.

The Treasurer stated that according to his books the Chemical Foundation, Inc., owed the Institute $9519.83. It was his understanding, and it was stated by the members of the Executive Committee present, that it was their understanding that the preliminary expenses which had been assumed and paid by the Institute would be taken care of ultimately by the Chemical Foundation, Inc. Mr. Danner stated that he had sent a bill to the Foundation some time ago; that he had received a response from Mr. Choate to the effect that the matter would be attended to; that he had written a follow-up letter but had received no response to that letter. The Treasurer was thereupon requested to take the subject up direct with Mr. Corbett, Treasurer of the Chemical Foundation, Incorporated, and settle the matter.

Concerning the bill of Steele & Otis it was the opinion of the committee that this bill and the bill of Mr. Bright ought to be paid. The Secretary was requested to see Mr. Bright in Washington and obtain from him a bill for his services, if possible before the next meeting of the Executive Committee.

There being no further business the meeting adjourned.

WM. R. CORWINE,
Secretary.

WRC/VS

PLAINTIFF'S EXHIBIT No. 551.

MINUTES OF REGULAR MONTHLY MEETING OF THE AMERICAN DYES INSTITUTE HELD AT THE HOTEL BILTMORE, NEW YORK CITY, THURSDAY, AUGUST 7TH, 1919, AT 2 P. M.

The following were in attendance:

American Aniline Products, Inc.	Mr. B. R. Armour Mr. Paul Nobbe
Atlas Color Works, Inc.	Mr. Alfred Thieme
The Ault & Wiborg Co.	Mr. Robt. W. Hilton
John Campbell & Co.	Miss M. H. Simmons
Consolidated Color & Chemical Co.	Mr. H. A. Metz
E. I. duPont de Nemours Co.	Mr. E. V. Patterson
Dye Products & Chemical Co.	Mr. Sidney Simon
Grasselli Chemical Co.	Dr. J. M. Matthews
The Heller & Merz Co.	Mr. August Merz
The Dow Chemical Co.	Mr. Jas. T. Pardee
Marden, Orth & Hastings Corp.	Mr. F. M. Fargo, Jr.
National Aniline & Chemical Co.	Mr. C. M. Patterson Mr. R. T. Baldwin Mr. H. E. Atherton
Naugatuck Chemical Co.	Mr. Wm. Valentine
Newport Chemical Works, Inc.	Dr. E. H. Killheffer
Rector Chemical Co.	Mr. Hurst
Transatlantic Chemical Corp.	Mr. W. M. Stevenson

together with Mr. Wm. R. Corwine, Secy., and Mr. H. E. Danner, Treasurer.

Mr. E. V. Patterson was elected Chairman.

As there were no suggestions or corrections proposed to the minutes of the last meeting, copy of which had been sent to all the members in the usual form, the Chairman declared them approved.

The Treasurer then submitted his report which is as follows:

July 1, 1919, Balance	$17,100.92	
Received in July	1,000.00	
		$18,100.92
Expenditures		7,710.96
Balance, August 1st, 1919		$10,389.96
Accounts Payable	$5,000.00	
Accounts Receivable	24,269.83	

It was approved and ordered on file.

The Secretary was called upon for his report. He made a brief oral one stating that he had not prepared a written one because all of his activities had been in Washington and the principal work of the Sub-Committee and himself had been in that city in connection with the proposed dye legislation.

Mr. R. T. Baldwin made a brief report for the Sub-Committee of the Executive Committee in charge of legislation. It was an oral one. He did not go into details because the members had been advised of the developments, and suggested that when the volume containing the reports of the hearings was printed, it should be given careful attention. He felt that all the members would find it extremely interesting.

There being no further business brought before the meeting it was decided to adjourn and hold the next meeting at the same time and place, Thursday, Sept. 11, 1919.

WM. R. CORWINE,
Secretary.

WRC/VS

PLAINTIFF'S EXHIBIT No. 552.

Minutes of a meeting of the Executive Committee of the American Dyes Institute held in Room 1007, No. 21 East 40th Street, New York City, on Friday, Sept. 5th, 1919, at 2 P. M.
In attendance:

Dr. J. Merritt Matthews,
Mr. R. T. Baldwin
Mr. August Merz

together with Mr. H. E. Danner, Treasurer.

In the absence of the Secretary, Mr. Wm. R. Corwine, who is in Washington, Dr. Matthews acted as Chairman.

The membership application of the Tower Mfg. Co. was again laid before the Committee. In view of the fact that the information secured by the members present, relative to the character and work of this company, did not warrant their election to membership in the Institute, it was decided to write to Mr. W. S. Woodrow of the Sherwin-Williams Co., (who invited the representative of this company, Mr. D. H. Jonas, Secretary, to attend one of the Institute's monthly meetings, which visit resulted in the application for membership made by the Tower Mfg. Co.) enquiring if he could furnish the committee with any further information relative to this concern, its work, its officers, etc., which would qualify it for membership in the Institute. The Secretary's assistant was instructed to write this letter.

There was laid before the meeting, a letter from the Manufacturing Chemists' Assn. of Boston, dated August 23rd, addressed to Mr. Corwine as Secretary, enclosing copy of a resolution passed by that organi-

zation at a meeting held on August 20th, which Resolution reads as follows:

> "VOTED: That the Executive Committee of the Manufacturing Chemists' Association endorse the principle of safeguarding the Dye Industry in the present emergency by licensing imports of dyes as well as by the application of a protective tariff, which principle the American Dyes Institute has been advocating before Congress to secure effective and proper legislation. The Manufacturing Chemists' Association, having been instrumental in securing the protection obtained for the Dye Industry in 1916, now offers, through its Executive Committee, to the (Dyes Institute) American Dyes Institute, its assistance in any effort that the American Dyes Institute may contemplate making in connection with the advocacy of the prompt passage of this legislation."

It was decided to acknowledge, with thanks, receipt of this letter and advise the Manufacturing Chemists' Assn. that the matter would be laid before the next meeting of the Institute and spread upon the Minutes. The Secretary's assistant was requested to write this letter.

In consequence of a conference held between Mr. Lowenthal and Mr. Fargo (two members of the special committee of three appointed to take under consideration the preparation of a membership certificate) previous to this meeting of the Executive Committee, Mr. Lowenthal who happened to be present at the opening of the latter meeting, brought before the members present, the sketch he had of the proposed membership certificate. The general idea was unanimously approved of, and with some slight changes the layout was accepted by the Executive Committee as the membership certificate to be awarded to the members of the Institute.

It was duly moved, seconded and carried, that an order be placed with the originators of the design, for 250 copies of the certificate, 40 of which are to be framed for immediate use of the members; price to be $300 for the 250 certificates and $2.00 each for the frame. The Secretary's assistant was instructed to write out this order.

The Chairman called the committee's attention to the representation of the American Dyes Institute at the Chamber of Commerce Conference to be held in Atlantic City during the week of Sept. 29th, which representation to date is as follows: Mr. Wm. R. Corwine, Secy., Mr. H. H. Dow, Mr. Jas. T. Pardee, Mr. Paul Nobbe, Mr. Robt. W. Kemp, Mr. H. J. McGrane and Mr. M. R. Poucher. The committee expressed approval of the representation.

The Chairman read to the Committee extracts from the minutes of a recent meeting of the Accounting Committee (held on August 21st), apprising the committee of the work done by the accountants, and also of the desire of the Accountants Committee to increase its membership. The Accountants' Committee has requested the Secretary to approach eleven more members of the Institute with the view of enlisting their support and co-operation in the work proposed to be undertaken by the accountants, by each designating a member of their organization to work with the present Accountants Committee. The Secretary's assistant informed the committee that this was being done. The Committee expressed approval of the work of the Accountants' Committee and the advisability of having it continued with the aid of as many members of the Institute as possible.

The Chairman advised the committee of the activity of the National Assn. of Hosiery & Underwear Mfrs. in their efforts to gain backing to their protest

against the licensing system of controlling dye imports.

There was laid before the committee communication from Mr. C. K. Weston of the Publicity Bureau of the E. I. du Pont de Nemours Co., transmitting copy for a series of post-card circulars intended to create sympathy with the efforts of the dye manufacturers to obtain the licensing feature of the proposed dye legislation now pending. The question arose as to the authority for this publicity work, and it was decided to write Mr. Corwine in Washington, relative to this matter. The Secretary's assistant was instructed to do this.

The Chairman read to the committee a letter from the Laundryowners' National Assn. extending an invitation to the Institute to have a representative address their convention to be held in New York City Oct. 6th to 9th, and transmitting a copy of their letter to the Great Western Laundry Co. of Chicago relative to the latters' method of disclaiming responsibility for fastness of color.

It was moved, seconded and passed that Mr. Jos. H. Choate, Jr., Counsel for the Institute, be requested to represent the Institute at the Convention referred to, and address them on the subject of American Dyes. The Secretary's assistant was requested to communicate this information to Mr. Corwine who was to be asked to extend the invitation to Mr. Choate.

Dr. Matthews informed the Committee that Mr. Corwine had advised him that the printed records of the hearings recently held before the Ways and Means Committee in Washington, in the proposed dyestuff legislation, were practically completed; that the members have been requested to advise the Secretary of their respective requirements of these pamphlets for distribution to interested parties; and that a quantity

will be shipped to the Institute's booth at the forthcoming Exposition in Chicago, for discriminate distribution there.

There was laid before the committee further correspondence from the Althouse Chemical Co. relating to the method employed by some dye manufacturers in teaching dye users how to use their products, regarding which the Dyes Institute had previously advised Mr. Althouse, as representing the dyers in his territory on this matter, it could do nothing, as it had no authority to regulate the policies of its members. Mr. Althouse in his later letter, expressed disappointment at the attitude assumed by the Institute, feeling that, in view of the evident antagonism towards the Institute felt in his territory by the dyers, it might have been well to give the dyers a more satisfactory reply. After discussion of this matter, during which it was emphasized that practically every line of manufacture, necessitated the teaching to the purchasers, by the manufacturers, the methods of using their products, it was decided to reply to Mr. Althouse's letter to the effect that the Institute could not recede from the position it originally took on this subject. The Secretary's assistant was instructed to write this letter.

Another letter dealing with the same matter as covered by the Althouse Chemical Co., emanating from the Master Dyers' Exchange of New England, was laid before the Committee and carefully considered. It was decided, after discussion, to acknowledge, with due appreciation, receipt of the letter and convey to them the same attitude assumed in connection with the correspondence of the Althouse Chemical Co. on behalf of the dyers in the Reading, Pa., section.

Dr. Matthews, on behalf of the Grasselli Chemical Co., made a request to the Secretary of the Open-

Price Section, Mr. H. E. Danner, that a section be established for the interchange of information on the Open-Price plan covering Sulphur Colors, and it was decided to submit this request at the next meeting of the Institute and invite participation.

There was laid before the Committee some correspondence from the Secretary, Mr. Wm. R. Corwine, relative to a report made by a mixed French and British Commission which had made a visit to German Chemical Works in the zone of occupation, now in possession of the Department of Commerce, but copies of which were available on payment of cost of reproduction. It was decided to ask Mr. Corwine to ascertain the cost of reproducing the different subjects in the reports, and to prepare a bulletin to the members enquiring as to their willingness to purchase these sets at cost of reproduction, advising him, also, that the Committee anticipated ordering a limited number of sets for the Institute. The Secretary's assistant was instructed to write Mr. Corwine along these lines.

The Treasurer called attention to the fact that there were still several members in the Institute who had not paid their past dues, and he was instructed to write to these delinquent members, calling their attention to the probability of being crossed off the membership list, in accordance with the By-Laws of the Institute. There being no further business the meeting adjourned at 5 P. M., to the time of the next meeting, Thursday, September 11th, 1919.

PLAINTIFF'S EXHIBIT No. 552-A.

MINUTES of a meeting of the Executive Committee of the American Dyes Institute held at the Hotel Biltmore on Thursday, Sept. 11th, 1919, at 12 M.

In attendance:

Mr. F. M. Fargo, Jr.,
Mr. A. Merz
Dr. J. M. Matthews
Mr. Henry Francis Atherton (representing the National Aniline & Chemical Company),
Mr. Arthur J. Eddy, Counsel
Mr. H. E. Danner, Treasurer
Mr. W. R. Corwine, Secretary.

Mr. Fargo was elected Chairman.

The Treasurer reported the three firms in arrears for dues; namely: The A. Zobel Color Works, the Hydrocarbon Chemical Products Co. and the Certified Chemical Corporation. Mr. Danner stated that all three firms had been written to under date of August 15th, as per the request of the Executive Committee; that no response having been received, a second or follow-up letter had been sent to them under date of Sept. 8th, to which no response had been made.

So far as the A. Zobel Color Works was concerned a statement was made by the Chairman that he had understood that that company had been absorbed in some way by the Tower Manufacturing Co., Inc.; that, as the latter had made application for membership it might be well to postpone action until after an answer had been received to the letter written to Mr. W. S. Woodrow of the Sherwin-Williams Co. who had been asked to give further information about the Tower Mfg. Co.

So far as the Hydrocarbon Chemical Products Co. and the Certified Chemical Corporation were concerned, it was decided to notify them that their names would be submitted to the Institute as not having paid their obligations, although requested so to do, and call attention to the fact that under the rules and regulations of the Institute they would be dropped

from membership unless payment was made before the next meeting.

The Treasurer presented the resignation of H. Kohnstamm & Co. He stated that that firm had written to him under date of March 22nd, 1919 resigning from membership, but that after reporting that fact it had been decided not to accept the resignation but make an effort to have that firm retain its membership. The Treasurer reported that he had again written for the arrears of dues but that in reply, the H. Kohnstamm Co. had quoted their previous letter of March 22nd and had stated that that resignation must stand. Thereupon it was decided to accept the resignation as of date first tendered, namely: March 22nd, 1919.

The Secretary reported application for membership made by E. C. Klipstein & Sons Co., of #644 Greenwich St., New York City, in a letter written by Theodore W. Sill, who was formerly Major Sill of the U. S. Army and who had testified before the Ways and Means Committee on his investigation of dyestuff factories in the occupied zone. The Secretary was requested to write to Major Sill, enclosing a membership application blank and asking him to fill it out and file with the office.

There being no further business the meeting adjourned.

W. R. CORWINE, *Secy.*

PLAINTIFF'S EXHIBIT No. 553.

MINUTES
EXECUTIVE COMMITTEE MEETING
FRIDAY, NOVEMBER 7TH, 1919.

Minutes of a meeting of the Executive Committee

of the American Dyes Institute held on Friday, November 7th, 1919, at 12 o'clock noon.

In attendance: Dr. J. Merritt Matthews, Mr. E. V. Patterson, Mr. August Merz, Mr. R. C. Jeffcott (arrived late) and Mr. H. E. Danner, Treasurer.

Dr. Matthews was elected Chairman, and in the absence of Mr. Corwine, the Treasurer acted as Secretary.

The Treasurer submitted his report as follows, all of which was approved in order to be read at the general meeting:

October 1, 1919, Balance		$11,791.57
Received during October		2,000.00
		$13,791.57
Expenditures in October		8,339.62
Balance, October 31st, 1919		$ 5,451.95
Accounts payable	$5,000.00	
Accounts receivable	15,819.83	

Attention was called to the fact that it will be necessary to provide for additional moneys for the Treasury. However, prior to making any additional assessments the Treasurer was requested to again write to the firms who had not yet paid their assessments, and also present at the next monthly meeting of the Executive Committee, a statement giving a list of those firms who had not yet been assessed for any moneys beyond their annual dues.

It was also the opinion of those present that the sum of $9519.83 owed to the Institute by the Chemical Foundation, Inc. should be honored by the Foundation. The Treasurer was asked to again take this matter up with them.

The Treasurer announced that on September 15th

he had received from the Hydrocarbon Chemical Products Co. a check for $100 but this company was still in arrears to the amount of $300 as follows: $200 covering initiation fee in 1918, and $100 covering a bill of Dec. 21st, 1918, same being a proportionate share of the deficit at the time of the amalgamation of the American Dyes Institute and the American Dyestuff Manufacturers Association. As the Treasurer had made repeated attempts since August, 1918, to collect these overdue accounts, he was instructed to advise the Hydrocarbon Chemical Products Co. that unless a check for $300 was received prior to the next regular meeting of the Institute, it would be necessary to drop this firm from membership.

A communication from the Monsanto Chemical Works dated October 3rd, which refers to their assessment of $300 was read. In this letter the Monsanto Chemical Works expressed their thought that inasmuch as the purchase of enemy-owned patents had been turned over to the Chemical Foundation Inc. the original assessments made against the members might be reduced. The Treasurer was instructed to advise the Monsanto Chemical Works that in the judgment of the Executive Committee the original assessment should stand, as they felt the Monsanto Chemical Co. should find considerable interest in the success of the American Dye Industry. The Treasurer was asked to explain to this company that the original budget mentioning "the purchase of enemy-owned patents" as part of the expenses to be incurred by the Institute did not mean the actual purchase of the patents, but expenses incurred by the Institute in connection with general activities, of which this was a part.

The Treasurer asked for instructions with reference to forwarding a bill to the Tower Manufacturing Co. This firm was elected to membership in October

and it was considered by those present that inasmuch as the Tower Manufacturing Co. will be members for only the last quarter of 1919, they ought not to be billed for the full year's dues; therefore the Treasurer was instructed to forward bill for $62.50, same being quarterly payment of the regular annual dues, and it was understood in future, in similar instances, the Treasurer would act accordingly; that is, a member elected during the year is to be billed with annual dues starting with the quarter of the year in which he is elected.

A letter from Patton, Tilman & Bruce of Greenville, S. C., dated October 13th, and addressed to the Secretary of the American Dyestuff Manufacturers' Assn. was submitted. This letter requested the name of a competent chemist in the United States, and the Secretary was instructed to advise the above-mentioned firm to communicate with Dr. J. Merritt Matthews.

A communication of October 4th from the Heyden Chemical Works of Garfield, N. J., signed by F. H. Chamberlain, President, and addressed to the Secretary, was read. Mr. Chamberlain had requested membership application blank; also a copy of the Constitution and By-Laws, all of which had been furnished to him. In his letter of October 4th he requested a list of the members showing the amount assessed to each member, presumably for the purpose of estimating his own assessment if his firm became a member of the Institute, and the Treasurer was directed to send such a list to Mr. Chamberlain.

Dr. Matthews submitted a letter which he had received from Mr. C. Scott Althouse under date of November 5th. This letter asked if the Institute would furnish a speaker to represent it at a meeting of the Knitgoods Association to be held at an early

date in Philadelphia. It also stated that it was the purpose of the Knitgoods Association to provide a speaker to present arguments in opposition to the licensing plan. The Secretary was instructed to request Mr. Choate to represent the Institute and so advise Mr. Althouse, requesting definite information as to the date of the meeting.

There being no further business, on motion the meeting adjourned.

H. E. DANNER, *Treasurer,*
Acting Secretary.

HED/VS

PLAINTIFF'S EXHIBIT No. 554.

MINUTES OF SPECIAL MEETING
EXECUTIVE COMMITTEE
AMERICAN DYES INSTITUTE
November 19, 1919.

A Special Meeting of the Executive Committee of the American Dyes Institute was held at the Chemist Club, Tuesday, November 11th at 1 P. M.

The following members were present:

Dr. J. M. Matthews, Presiding,
Mr. August Merz,
Mr. R. C. Jeffcott,
Mr. R. T. Baldwin,
Dr. Wallach,
Mr. E. V. Patterson,

Mr. H. E. Danner, Treasurer and Mr. St. John Perret, Chief of the War Trade Board, Section State Department, also attended.

Before taking up the business for which the meeting was especially called, the Chairman referred to a

communication each member of the Executive Committee had received from the Treasurer with reference to the date of the next regular meeting of the Institute, and it was unanimously agreed that this date would be set for Friday, December 5th.

The Chairman then requested Mr. Perret to report on the matter which he had to submit to the Committee.

Mr. Perret then stated the situation as regards the withholding of Import Licenses for Dyes and Intermediates. He outlined three groups of cases, all covering Non-Vat Dyes, as follows:

GROUP I—The Board has at present applications for the importation of a quantity of Non-Vat Dyes, and is in possession of sufficient information to advise the applicant that the license is refused on the grounds that the full requirements are obtainable in American made dyes in respect to price, quality and delivery.

In this event the Board would notify the applicant accordingly, but the War Trade Board, Section State Department, realize that unless it can furnish the applicant with a complete list of *all* the manufacturers producing the commodity it would lay itself open to severe criticism and charges of favoritism.

Mr. Perret said that the Board had circularized some two hundred manufacturers, asking for a list of all products manufactured, and in reply had received something like thirty-three responsive answers, and therefore knew it did not have a complete list of all the products manufactured by all the firms. Therefore it was obvious that in attempting to advise an applicant where the commodity was made the list of manufacturers would no doubt not include every manufacturer, but would be only a list of those manufacturers who had furnished information to the Board, and the furnishing of a list of manufacturers with

even one name missing would lead to a charge of discrimination.

Therefore the Board made the following suggestion to the Institute:

WHENEVER the Board advise an applicant that his license is refused it will at the same time advise the applicant to apply to the Secretary of the American Dyes Institute for a list of the firms manufacturing the commodity in question. In this connection it is to be understood that the War Trade Board would furnish the Secretary with a memorandum of the dye required, the Schultz number, and a list of the manufacturers of which the Board has a record as producers of this dye. On receipt of this information the Secretary of the Institute would supplement the list furnished by the War Trade Board by immediately circularizing every manufacturer, whether a member of the Institute or not, asking if he produces the particular dye in question. This list of manufacturers thus obtained would then be furnished to the applicant in reply to his inquiry, and it would, obviously be a list of the manufacturers as complete and impartial as the Secretary was able to obtain.

It was recognized that there were practical difficulties in the way of the Secretary of the Institute obtaining a mailing list of every manufacturer in the United States, but it was thought that this could be compiled with a fair degree of accuracy and completeness.

GROUP II.—The Board has applications for the importation of certain dyes and the information in the hands of the Board is such that the application must be cut down or reduced in percentage, because a certain percentage of American made dyes is available at reasonable price and satisfactory quality.

In this event the War Trade Board would notify

the applicant to reduce his import application to a certain percentage of his original request and obviously the reduced import application would be granted and the balance refused on the same grounds as outlined in Group 1, and the same procedure would be followed.

GROUP III.—The Board has applications for certain dyes and is in possession of information that satisfactory American made substitutes are available in sufficient quantities to meet requirements and therefore would refuse the license.

In this case the Board would advise the applicant that the license was refused on the grounds that a suitable American made substitute was available and request the applicant to avail himself of the opportunity to utilize this substitute, the name of which would be given him; and would also suggest that the names of the manufacturers producing this substitute could be obtained by applying to the Secretary of the American Dyes Institute, who would compile his list of manufacturers as outlined in Group 1.

It was thoroughly understood by all present that in the event this plan should be approved, it is to be understood by all members and non-members of the Institute, and by the War Trade Board that the information obtained by and on file with the Secretary of the American Dyes Institute shall be absolutely confidential with him and his immediate assistants, and shall be available to no member or non-member of the Institute: it of course being understood that at all times the information will be available to an accredited representative of the War Trade Board Section, State Department.

There was a long discussion and there developed a difference of opinion as to the advisability of the Dyes Institute undertaking this work.

Mr. Baldwin and Mr. Jeffcott were opposed and

they pointed out the necessity of very careful consideration. It appeared to them that there was a possibility of the public, consumers, dealers, nonmembers of the Institute and opponents of the Licensing Plan misconstruing and misrepresenting the position of the American Dyes Institute, although it was pointed out that the only function which the Dyes Institute would fill would be that of simply acting as a directory for furnishing the most available and complete information to a consumer.

Mr. Perret read drafts of various letters or notifications it was proposed to send an applicant in the event of his import application being denied, and in the body of this letter it stated, in substance, that if the applicant desired the names of the American manufacturers of the commodity in question he should apply to the Secretary of the American Dyes Institute.

It was suggested that in the event the plan should be adopted this paragraph referring to the American Dyes Institute should be omitted and that the War Trade Board should simply notify the applicant that his application was denied and on what grounds. If, subsequently, the applicant requested information as to where he could obtain the American made product, then the War Trade Board would advise the party making the inquiry to communicate with the American Dyes Institute, which organization, being the only representative organization of American dye manufacturers, would furnish him with the most available and complete list possible.

Mr. Jeffcott then stated that if it was thoroughly understood that the granting or denying of an import license was in no way connected either directly or indirectly with the American Dyes Institute, he would withdraw his objection provided there was a unanimous approval of the plan. Mr. Perret stated that the with-

holding of a license was absolutely a completed transaction by the War Trade Board before it referred directly or indirectly to the American Dyes Institute.

Mr. Perret then stated that unless the Institute was prepared to undertake this work the War Trade Board would be obliged to issue the licenses already applied for, as it would not undertake to furnish the applicant with the names of manufacturers and subject itself to charges of discrimination.

It was apparent that very prompt decision was necessary and it was therefore agreed to call another Special Meeting of the Executive Committee on Saturday morning at 9.30 A. M., same to be held at the Chemists Club, New York City, and the Secretary was requested to telegraph Mr. Cottingham and Mr. Ault to endeavor to be present as it was desirable to have a full meeting.

On motion the meeting adjourned.

(Sgd.) H. E. DANNER,
Secretary.

HED:AM

PLAINTIFF'S EXHIBIT No. 555.

MINUTES OF SPECIAL MEETING
EXECUTIVE COMMITTEE
AMERICAN DYES INSTITUTE

November 22, 1919.

A special meeting of the Executive Committee of the American Dyes Institute was held at the Chemists Club, New York City, on Saturday, November 22, 1919, at 9.30 A. M.

The following firms were present and represented as follows:

Grasselli Chemical Co.	(Presiding) Dr. J. M. Matthews,
National Aniline & Chemical Co.,	Dr. R. N. Wallach, Mr. R. T. Baldwin,
E. I. duPont de Nemours & Co.,	Mr. E. V. Patterson, Mr. Weston,
Heller & Merz Co.,	Mr. August Merz,
Marden, Orth & Hastings Corp.,	Mr. R. C. Jeffcott.
Calco Chemical Co.,	

Dr. E. H. Killheffer and Dr. Herty were also present by invitation.

The Treasurer, Mr. H. E. Danner, also attended.

The meeting was called pursuant to a special meeting held on November 19th to further consider the request of the War Trade Board that the American Dyes Institute compile a record of American manufacturers of particular dyes or intermediates, and to act as a directory by giving this information to a consumer whose import license had been refused by the War Trade Board—the details of which are given in the minutes of the special meeting of the Executive Committee held on November 19, 1919.

The plan was again thoroughly explained for the benefit of those who were not present at the meeting on the 19th inst., and in this connection it was understood by all that the American Dyes Institute would not undertake to circularize every manufacturer in the United States of which it had a record, requesting such manufacturers to file with the Institute a complete list of all its products. The function of the Institute would be as follows:

When the Secretary of the Institute is advised by the War Trade Board that an import license has been refused by the War Trade Board for a certain specific

commodity, the Institute, through its Secretary, would then circularize the most complete and available mailing list of American manufacturers (both members and non-members) and request the manufacturers to state whether or not they make the particular product in question. This information so obtained would be recorded by the Secretary of the Institute and held by him as confidential information and would only be given in reply to a party, who having had his import application refused, inquired of the Institute for a list of manufacturers making the product in question.

It was again pointed out how difficult it might be for the Secretary of the Institute to obtain complete lists of all the manufacturers making the particular product, but it was agreed that the Secretary would circularize all manufacturers to the best of his ability, so that manufacturers not members of the Institute would have the opportunity of having their names included in the list sent to the applicant.

Mr. Baldwin again explained his reasons for his opposition to the suggestion, first of which was the matter of expediency in view of the pending dyestuff legislation, and another was the difficulty and possible embarrassment in the administration of the work, and Mr. Baldwin stated that while he wished his protest to be recorded in the minutes of this meeting, he had consulted with Mr. Choate and Mr. Palmer, and in consideration of their judgment and advice he did not feel prepared to be the one to hold out for the sake of the unanimous agreement to undertake the plan outlined by the War Trade Board.

THEREFORE it was unanimously agreed that Mr. Danner should telephone the following statement to Mr. St. John Perrett, Chairman of the War Trade Board Section, State Department:

> In view of your statement that when import license is refused, your department will not give

out the names of manufacturers either in your hands or in the records of the Tariff Commission or any other governmental body, and you are unable to have any other governmental body do this, the Executive Committee of the American Dyes Institute will give the applicant the most available and complete list of manufacturers of the product in question it is able to obtain.

It is also understood that you will only refer to the American Dyes Institute when an applicant writes you he is unable to obtain a desired color and requests the sources of supply.

At the suggestion of Mr. Baldwin and others Mr. Danner was requested to advise Mr. Choate of the above action and to request him to draft a letter of confirmation and the correct wording of the resolution to cover the sense of the above. The Treasurer was also asked to request Mr. Choate to draft a form of inquiry to be used by the Institute and sent to a mailing list of manufacturers, both members and non-members, whenever it becomes necessary to request information as to whether or not the manufacturer makes the particular product in question.

There being no further business, on motion the meeting adjourned.

(Sgd.) H. E. DANNER,
Acting Secretary.

HED:AM

PLAINTIFF'S EXHIBIT No. 556.

A meeting of the Executive Committee of the American Dyes Institute was held in the office of the Institute at 21 East 40th St., New York, on Saturday, January 3rd, 1920, at 10:30 A. M.

The following members were in attendance:

Mr. Frank B. Wiborg (elected Chairman).

Mr. August Merz
Dr. J. M. Matthews
Mr. J. O. Hasson (The Sherwin-Williams Co.)
Mr. E. V. Patterson
Mr. Chapin (Marden, Orth & Hastings Corp.)
Mr. H. E. Danner, Treasurer

Mr. Patterson outlined the importance of the present legislative work in Washington and it was pointed out that a number of members of the Committee would no doubt be obliged to be in Washington during the coming week as all bills in the hands of the sub-committees must be reported to the Senate Committee on Finance by January 12th.

It was also considered to be extremely important that the members be impressed with the necessity of attending the next regular meeting of the Institute and listen to a report from the Legislative Committee; also to be urged to hold themselves in readiness to go to Washington on short call after January 12th.

It was also believed that this was of such importance that the time of the meeting should be given over entirely to a discussion of this vital subject, and therefore it was decided to forward a letter to each member of the Institute urgently requesting his presence and, at the same time, stating that in view of the importance of the legislative work the annual meeting and election of officers would be postponed until the February meeting.

On motion unanimously adopted Dr. J. M. Matthews was appointed as the authorized representative of the American Dyes Institute to serve on the Advisory Committee of the Chemical Foundation, Inc.

The meeting was adjourned at 12 M.

H. E. DANNER,
Treasurer.

HED/VS

PLAINTIFF'S EXHIBIT No. 557.

MINUTES OF MEETING
EXECUTIVE COMMITTEE
AMERICAN DYES INSTITUTE

January 9th, 1920.

A regular monthly meeting of the Executive Committee of the American Dyes Institute was held at the Hotel Biltmore, New York City, on Friday, January 9, 1920, at 11.30 A. M.

The following in attendance:

Mr. F. M. Fargo, Jr., elected chairman.
Mr. Frank Hemingway,
Dr. J. Merritt Matthews,
Mr. August Merz,
Mr. E. V. Patterson,
Mr. Atherton.

Mr. H. E. Danner, Treasurer.
Counsel, Mr. Arthur J. Eddy, also attended.

In the absence of Mr. Corwine, the Treasurer acted as Secretary.

The Treasurer reported as follows:

Treasurer's Report
AMERICAN DYES INSTITUTE

Balance, December 1, 1919		$4,693.53
Received during December		7,529.37
		$12,222.90
Expenditures during December		7,463.87
Balance, Jan. 1, 1920		$4,759.03
Accounts Payable	$5,000.00	(Chem. Foun.)
Accounts Receivable	$17,519.83	

On motion the above report was accepted and ordered to be read at the General Meeting.

In connection with the items of Accounts Payable there was a discussion regarding an item of $9,519.83, owing by the Chemical Foundation, Inc.

Mr. Merz then referred to a letter which his brother had written to the Chemical Foundation, demanding payment of the $1000 which his firm had loaned the Chemical Foundation, Inc., for the preliminary work of searching titles, etc., of the chemical patents to be taken over by the Chemical Foundation.

It was the unanimous opinion of the members of the Executive Committee that the claim presented by the Heller & Merz Co. was one which should be presented to the Chemical Foundation, Inc., inasmuch as the American Dyes Institute appeared only as an intermediary.

In this connection, on motion of Dr. Matthews, and duly seconded, it was unanimously resolved that the attention of the Chemical Foundation, Inc., be called to the entire claim of the American Dyes Institute, which claim is made up of the following items: Funds advanced covering preliminary expenses,

Will T. Gordan, Agent	"	"	$6,850.00
Penny, Davis, Marvin, Edward		"	2,491.98
F. R. Squair	"	"	138.35
C. C. Bennett	"	"	39.50
			$9,519.83

The Secretary was directed to send a copy of this resolution to the Secretary of The Chemical Foundation, Inc.

The Secretary submitted a communication from the Rector Chemical Co., dated December 10, 1919, which tendered the resignation from the Institute of this Company, to take effect as of December 10, 1919.

In this communication the Rector Chemical Co. object to an assessment of $250 levied on December 9th and presumably this was the cause of the resignation. It also stated that inasmuch as this Company have not been making any dyes for several months past and only manufacture intermediates for their own use, they would receive no benefit from the proposed legislation. On motion it was resolved to recommend to the General Meeting the acceptance with regret of this resignation, same to take effect upon payment of outstanding account.

The resignation of the Zobel Color Works was received and read. This communication tendered resignation as of January 1st, and on motion it was resolved to recommend tc the General Meeting the acceptance of same with regret.

The Treasurer also reported that as directed at a previous meeting of the Executive Committee he had written a letter addressed to Wm. A. Bradford, Esq., of Butterworth-Judson Corp. calling attention to an assessment levied in March, and which has not yet been paid. This communication has not been replied to and Mr. Hemingway stated he would endeavor to take this matter up with the Butterworth-Judson Corp.

A communication from the Textile School, dated January 9th, was read. On motion the Secretary was directed to reply to the Textile School, sending a list of members of the Institute, and suggesting that the matter referred to be taken up individually with the members.

A communication from the Chemical Foundation, Inc., dated December 22d and enclosing a copy of an advertisement appearing in the New York Times, under date of December 21st, said advertisement being put out by Oppenheim Collins & Co., calling particular

attention to imported dyes, was received. This advertisement is so worded that it indicates that American dyes are not as good as imported dyes, and the Chemical Foundation, Inc., are of the opinion that this is subtle advertising for the Germans.

Upon motion this was referred to Dr. Matthews, who is Chairman of a Special Committee to take up such matters.

A communication dated November 29th from the American Service League was referred to the Executive Committee at its meeting in December was again taken up for consideration. On motion it was decided to hold the matter in abeyance.

Under date of December 2d, 1919, the National Foreign Trade Council invited the American Dyes Institute to participate in the 7th National Foreign Trade Convention to be held in San Francisco on May 12th-15th, 1920. On motion the Secretary was directed to advise the National Foreign Trade Council that they would endeavor to have a representative present and in this connection it was decided that at the General Meeting to follow the members would be asked who, if any, anticipated being in California at this time. If so, the Executive Committee would appoint such party as a delegate of the Institute to attend this convention. It was thought at this time that the Institute would not undertake to state definitely that they would appoint any special delegate to make a special trip.

A communication from the Manufacturers' Club of Philadelphia, inviting the Institute to participate in a Trades Council made up of representatives of various industries who were members of the Manufacturers' Club was received. It was decided to inquire of the members as to who were members of the Manufacturers' Club, and if, on further consideration, it seemed desirable that the Institute should participate in this Trades Council, they would have opportunity

of appointing a delegate from among the members who were also members of the Manufacturers' Club of Philadelphia.

A communication dated November 20, 1919, from the Chamber of Commerce of the United States of America was again submitted to the Committee. This communication requested the Institute as a member of the Chamber of Commerce to subscribe an amount equal to five times the annual dues for the building fund. On motion, unanimously adopted the Treasurer was directed to forward a check to the Chamber of Commerce of the United States of America for $200, same to be applied to the building fund of the Chamber of Commerce.

An invitation from the "Nation's Business" for an aricle on dyestuffs to be published in that periodical was received. On discussion it was decided to defer this matter until a later date.

Dr. Matthews announced that he had accepted an invitation to appear and speak on Dyestuffs at a meeting of the American Pharmaceutical Association, which will be held on Monday, January 12th.

There being no further business, on motion the meeting adjourned.

(Sgd.) H. E. DANNER,
Treasurer and Acting Sec'y.

HED:AM

PLAINTIFF'S EXHIBIT No. 558.

MINUTES OF MEETING
EXECUTIVE COMMITTEE
AMERICAN DYES INSTITUTE
April 8, 1920.

A meeting of the Executive Committee of the American Dyes Institute was held in the office of the

Treasurer, 320 Broadway, New York City, on Thursday, April 8, 1920, at 10.30 A. M. (New York time.)

The following member firms were present and represented as follows:

Atlantic Dyestuff Co.,	Mr. A. C. Burrage, Jr.,
Calco Chemical Company, Inc.,	Mr. F. M. Fargo, Jr.,
E. I. duPont de Nemours & Co.,	Mr. E. V. Patterson,
Grasselli Chemical Co.,	Dr. J. M. Matthews,
The Heller & Merz Co.,	Mr. August Merz,
National Aniline & Chemical Co.,	Mr. H. H. Replogle,
Newport Chemical Works, Inc.,	Dr. E. H. Killheffer

By unanimous vote, Mr. E. V. Patterson was elected Chairman.

In the absence of the Secretary, the Treasurer, Mr. H. E. Danner, acted as Secretary.

Mr. Fargo and Mr. Replogle, of the Special Committee to whom the report of the Auditors for the year 1919 had been referred for the purpose of making recommendations as to the disposition of the uncollected accounts which appeared thereon, reported the following:

Chemical Foundation, Inc.—$9,841.36—This item referred back to the Executive Committee because of peculiar relations of the Institute and its several members to the Foundation.

Butterworth-Judson Corp.—$2,750.00. The Committee will make further effort and investigate and report later. Carry item in suspense until definitely reported.

Frank Hemingway, Inc.—$500.00. Dispose of this according to Treasurer's ability to settle through Mr. Hemingway and The Sherwin-Williams Co.

Atlantic Dyestuff Co.—$1,250.00. This item was

reduced to $750 as per direction of Executive Committee at its meeting in March and has since been paid.

Chemical Co. of America.—$250.00. This item has been paid.

Atlas Color Works	$250	Put in Suspense Account and cover by adding to 1920 budget —Keep acting toward collecting these amounts.
Commonwealth Cheml. Co.	250	
Metals Disintegrating	250	
Organic Salt & Acid Co.	800	
Transatlantic Chem. Co.	250	

Rector Chemical Co.—$250.00. This item has been written off books as per direction of Executive Committee at a previous meeting.

Adolph Zobel Color Works—$250. Write off. Call attention to Mr. Tompers and Tower Mfg. Co.

(Sgd.) F. M. Fargo, Jr.,
H. H. Replogle.

Following a discussion on the above report, the Special Committee offered to communicate with the several members who were delinquent and the Treasurer was directed to furnish Mr. Replogle with duplicate statement of the members' accounts together with Institute letterheads.

On motion the above report was approved, and the Treasurer was directed to be governed accordingly.

The resignation of the Monroe Drug Co. of Quincy, Ill., dated Jan. 12th, 1920, with which was returned bill of Jan. 5, 1920, for annual dues, was again submitted. This resignation had been referred to Dr. Matthews at the previous meeting of the Executive Committee. Dr. Matthews reported that he had communicated with this firm and it did not care to reconsider its resignation. On motion it was agreed to recommend the acceptance of same to the next meeting of the Insti-

tute and if accepted the Treasurer was directed to cancel the bill of January 5th, 1920, covering annual dues for 1920.

A communication from the National Industrial Conference Board, dated March 22, 1920, was submitted. This was an invitation to the American Dyes Institute to attend a meeting of the Board to be held in Chicago, April 16th, 1920. The purpose of the meeting is for a "discussion of the present Federal Revenue Law and its defects, and of proposals for immediate Congressional relief and for more permanent improvement." It is stated that it is hoped that out of the discussion there may come some "program for changes in the present law upon which the industrial interests may unite."

On discussion it was decided to ask the Dow Chemical Co. and The Sherwin-Williams Co. to each appoint a representative to attend in the interests of The American Dyes Institute, and to report the result of the Conference.

A communication from the Chamber of Commerce of the State of New York, enclosing a letter from the firm of Rene Klein of Strasbourg was received. This communication requested the names of manufacturers of Aniline Colors. On discussion the Secretary was directed to acknowledge the letter and suggest that possibly the information required could best be obtained from the Dye Stuff Census issued by the Tariff Commission.

At the last meeting of the Institute the Executive Committee was directed to appoint a standing and permanent committee on Sanitization and Safety to prepare a National Code on Nitro and Amido Compounds, and accordingly the following standing Committee of three was appointed:

A representative of The Barrett Co., Chairman.

A representative of National Aniline & Chem. Co.

A representative of The Calco Chemical Co., Inc., it being understood that the firms would delegate their own representative as it was recognized that this Committee should be familiar with technical matters.

There being no further business, on motion the meeting adjourned.

(Sgd.) H. E. DANNER,
Treasurer.

HED:AM

PLAINTIFF'S EXHIBIT No. 559.

MINUTES OF MEETING
EXECUTIVE COMMITTEE
AMERICAN DYES INSTITUTE

May 7, 1920.

A regular monthly meeting of the Executive Committee of the American Dyes Institute was held at the Hotel Biltmore, New York City, on Friday, May 7th, 1920, at 11.30 A. M.

The following firms were present and represented as follows:

Calco Chemical Co.,	Mr. F. M. Fargo, Jr.,
E. I. duPont de Nemours & Co.,	Dr. A. D. Chambers, Mr. Kinsmann,
Grasselli Chemical Co.,	Dr. J. M. Matthews,
The Heller & Merz Co.,	Mr. August Merz,
National Aniline & Chemical Co.	Mr. Atherton, Mr. Mahon,
Newport Chemical Works, Inc.,	Dr. E. H. Killheffer.

The Treasurer, Mr. H. E. Danner, also attended.

By unanimous election Mr. Fargo acted as Chairman.

In the absence of Mr. Corwine, the Treasurer, Mr. H. E. Danner, acted as Secretary.

The Treasurer submitted his monthly report, which was approved and ordered to be read at the General Meeting of the Institute.

A communication from Geo. H. Morrill Co., dated April 29th, tendering the resignation of this Company as a member of the Institute was received. This communication outlined that Geo. H. Morrill Co. did not manufacture dyes for sale, and only in comparatively small quantities for its own use and because the expense of maintaining membership is becoming so high in comparison to the benefit derived, that the Company considers it is no longer justified in continuing as a member of the Institute. The communication also stated that if in future there should be any change in the manufacture and sale of dyes as carried on by this Company, it would consider being again affiliated with the Institute, and it would take up the question of a resumption of membership.

On discussion it was considered by those present that inasmuch as the George H. Morrill Co. had paid its annual dues for the year 1920, and in addition had paid the six months' assessment levied against this Company, and in view of the representations in the communication this Company should not be assessed any further amounts for the year 1920, and that it should be considered that their entire financial obligations had been paid for the year.

The Treasurer was thereupon directed to write to this effect and to express the desire and hope of the Institute that the Geo. H. Morrill Co. would consent to be considered a member of the Institute for the balance of the year.

There followed a discussion with reference to the unpaid accounts from the year 1919. Mr. Fargo explained that as Chairman of the Special Committee on Audit he had endeavored to call upon Mr. Signer, of the Butterworth-Judson Corp., with reference to

its account, but was unable to see Mr. Signer. The Treasurer stated that Mr. Signer had called at his office and talked over the matter quite at length, explaining that he felt that the Butterworth-Judson Corp. wished to do their proper share, but that the assessment as levied in 1919 was considerably in excess of its proper proportion. Mr. Signer had expressed regret that the various communications sent to his Company during the year 1919 had not been acknowledged.

It was therefore unanimously resolved that the matter be referred again to Mr. Fargo, and that he be authorized to state to Mr. Signer that the assessment for $2,750 (as levied in 1919) be cut in half, making the amount due $1,375.

The Secretary also submitted a communication of April 30th from the American Druggists Syndicate. This communication stated that the Organic Salt & Acid Co. of 81 Fulton St., had been taken over by the American Druggists Syndicate and that they knew nothing of the unpaid bill for the assessment for the year 1919. The Company stated however that they would investigate the matter.

On motion the communication was referred to Mr. Fargo as Chairman of the Special Committee on Audit.

The Secretary submitted a communication from Mr. L. A. Ault, of The Ault & Wiborg Co., dated April 27th and one of May 3d. Mr. Ault had written requesting an explanation of the method used in arriving at the proportion of assessment for the year 1920 which each member should bear, and also expressed the opinion that his Company was assessed in excess of their importance in the industry. Mr. Danner reported that as Treasurer he had replied to the original communication and referred Mr. Ault to the minutes of the previous meeting, which gave a full report of

the action taken by the joint meeting of the Board of Governors and the Executive Committee, and the Institute meeting held subsequently. In this communication he had stated that Mr. Wiborg was present at the Institute meeting, and was familiar with the discussion—to which Mr. Ault had replied that Mr. Wiborg was not an authorized representative of his Company and he again requested an explanation of the entire subject.

On discussion and motion the Treasurer was directed to advise Mr. Ault to the effect that the assessments were levied as per the joint action of the Board of Governors and the Executive Committee, at which meeting it was regretted that The Ault & Wiborg Co. did not have their representative present. (Held on April 7th.) However, at the meeting of the Institute the following day Mr. Hilton was present as well as Mr. Wiborg, and it was assumed that the Company was duly represented. However, in view of Mr. Ault's protest as to his proportion of the assessment, the Treasurer was authorized to reduce the ratio originally assessed The Ault & Wiborg Co. from 5% to 4%, and to notify Mr. Ault accordingly.

Dr. Matthews reported that as the representative of the American Dyes Institute on the Advisory Board of The Chemical Foundation, Inc., he had referred to the bill which the American Dyes Institute had rendered to The Chemical Foundation covering organization expenses, incident to the formation of the Foundation, and he had received from the Chemical Foundation, Inc., a financial report which he filed with the Treasurer of the American Dyes Institute. He stated that it was the feeling of the Advisory Board of The Chemical Foundation, Inc., that the bill of the American Dyes Institute amounting to $9,841.36 should be honored and paid and that the Advisory Board would so recommend and he requested the Treasurer to let

him have a duplicate of the bill which he would refer to the Advisory Board of the Chemical Foundation, Inc., as a formal request for the payment of this account.

The Treasurer read the telegram received from the Legislative Committee in Washington with reference to the situation in regard to the Dyestuffs Bill, and he was authorized to read same to the General Meeting of the Institute.

A communication from the Secretary requesting the Executive Committee to consider Referendum No. 30 of the Chamber of Commerce of the United States of America was submitted, and on discussion it was the judgment of those present that at this time the Committee could not come to any conclusion which would be representative of the majority of the Institute, and the Secretary was therefore directed to advise the Chamber of Commerce of the United States of America that the Institute would be unable to report its vote in this matter.

A communication from the Chamber of Commerce of the United States of America requests that the Secretary permit the use of his name among the membership of the Institute in order to introduce the "Nation's Business" (the official organ of the Chamber of Commerce of the United States) was received and on vote the Secretary was authorized to advise the Chamber that the use of his name would be entirely agreeable.

A communication from the Department of the Interior, Bureau of Education, dated April 9th, inviting the Institute to appoint a delegate to attend a national conference for education to be held in Washington on May 19th, 20th, 21st was received, and on vote the Committee delegated the Secretary to attend this meeting and report to the Institute.

There being no further business, on motion the meeting adjourned.

(Sgd.) H. E. DANNER,
Acting Secretary.

HED:AM

PLAINTIFF'S EXHIBIT No. 560.

MINUTES OF MEETING
AMERICAN DYES INSTITUTE

May 7th, 1920.

Following luncheon a regular monthly meeting of the American Dyes Institute was held at the Hotel Biltmore, New York City, on Friday, May 7th, 1920, at 1.30 P. M.

The following firms were present and represented as follows:

American Aniline Products, Inc.,	Mr. Paul Nobbe,
The Barrett Co., Inc.,	Mr. R. P. Dunning,
Butterworth-Judson Corp.,	Mr. Signer (arrived late)
Chemical Co. of America,	Mr. D. Kendall,
	Dr. S. Iserman,
Consolidated Color & Chemical Co.,	Mr. P. S. Clarkson,
E. I. duPont de Nemours & Co.,	Dr. A. D. Chambers,
	Mr. Kinsmann,
Dye Products & Chemical Co.,	Mr. L. M. Loewenthal
	Mr. S. Simon,
Grasselli Chemical Co.,	Dr. J. M. Matthews,
	Mr. A. H. Pierce,
The Heller & Merz Co.,	Mr. August Merz,
National Aniline & Chemical Co.,	Mr. Atherton,
	Mr. Mahon,
Transatlantic Chemical Corp.,	Mr. W. M. Stevenson.

By unanimous election Dr. J. M. Matthews acted as Chairman.

In the absence of Mr. Corwine, the Treasurer, Mr. H. E. Danner, acted as Secretary.

Inasmuch as a copy of the minutes of the previous meeting had been sent to each member and there were no corrections, on motion the reading of same was omitted.

The Treasurer reported as follows:

Treasurer's Report

As of May 1st, 1920.

Balance, April 1st, 1920		$ 3,974.53
Received during April		6,412.50
		$10,387.03
Expenditures during April		2,164.87
Balance, May 1st, 1920		$ 8,222.16
Accounts Payable	$ 7,500.00	
Accounts Receivable	$44,678.86	

* * * * * * * * *

The Secretary read a night lettergram from the Legislative Committee in Washington expressing the regret of the Committee that they could not be present at the meeting and therefore reported through this telegram and requested that no publicity be given outside of the Institute. The communication was received as read and ordered to be placed on file.

There was no report from the COMMITTEE ON JOINT EXPOSITION, as Dr. Killheffer, Chairman of this Committee, was obliged to leave immediately after luncheon.

There was no report from the COMMITTEE ON SANITATION AND SAFETY, as none of the members were present.

Mr. Merz reported progress for the COMMITTEE ON EDUCATION, and stated the Committee hoped to have a complete report ready for the next meeting of the Institute.

There followed an informal discussion with reference to general conditions in the industry and it developed that all members were seriously handicapped on account of the shortage and high prices of raw materials. Special mention was made of Napthaline, Benzine, Aniline Oil and Wood Alcohol and it was pointed out that these prices were the result of conditions outside of the dyestuff industry. For instance, Benzine was dependent upon the production of Gasoline, and the price of Gasoline had advanced so materially that Benzine was likewise affected, which in turn affected Aniline Oil, which followed Benzine.

It was also noted that the members were unable to obtain sufficient supply of Wood Alcohol except at a material advance in price.

Mr. Nobbe stated that he had heard of a price of $1.00 per lb. for Beta Naphthol, and it was the opinion of those present that this was a price made by second hands, due to the fact that the manufacturers of Beta Napthol had probably sold their production and that the only product available was that which was held by second hands.

Mr. Nobbe also reported a demand for export trade and he expressed the opinion that England was unable to supply the demands of her own colonies.

Mr. Dunning reported that The Barrett Company had not been able to maintain or increase its output of Napthaline because of embargoes and it appeared that the transportation situation and the embargoes on so many products materially affected production.

The date for the next meeting was set for Friday, June 11th, 1920.

There being no further business, on motion the meeting adjourned.

(Sgd.) H. E. DANNER,
Acting Secretary.

HED:AM

PLAINTIFF'S EXHIBIT No. 561.

American Dyes Institute
Room 511, 320 Broadway
New York

MINUTES OF MEETING
EXECUTIVE COMMITTEE.
AMERICAN DYES INSTITUTE
May 17, 1920.

A special meeting of the Executive Committee of the American Dyes Institute was held in the office of the Treasurer, 320 Broadway, New York City, on Monday, May 17, 1920, at 2 P. M.

The following members attended:—

Mr. R. T. Baldwin, representing National Aniline & Chemical Co.

Dr. E. H. Killheffer, representing The Newport Chemical Wks., Inc.

Dr. J. M. Matthews, representing Grasselli Chemical Co.

Mr. M. R. Poucher, representing E. I. duPont de Nemours & Co.

Mr. August Merz, representing The Heller & Merz Co.

The following were also present:—

Mr. J. R. M. Klotz, Newport Chemical Works, Inc.

Dr. S. Iserman, Chemical Co. of America

Mr. C. Kendall, Chemical Co. of America

Mr. Jos. H. Choate, Jr., Counsel

Mr. H. E. Danner, Treasurer.

In the absence of Mr. Corwine, the Treasurer acted as Secretary.

By unanimous vote, Dr. E. H. Killheffer was chosen Chairman of the meeting.

Mr. Poucher outlined the situation as regards the work of the Legislative Committee in Washington to date, and there followed a general discussion.

Mr. Baldwin stated that the Bill was still on the Calendar and could be taken up at any time by a majority vote in the Senate, and this situation would obtain until March 4, 1921. Just when it would be called again would depend very largely upon conditions in the Senate, as to whether or not Congress recessed until after the Party conventions.

Reference was made to the statements coming from the opponents of the Bill that the Legislation was designed for the benefit of the larger manufacturers, and that it would produce a monopoly. Dr. Iserman, as a representative of one of the smaller manufacturers, had prepared a statement and had already obtained signatures from a number of the other small manufacturers—which was a forcible answer to these statements, and it was considered that this reply should be made part of a general statement to be presented by the Legislative Committee at the proper time, as a complete and forcible answer to such insinuations.

It was the judgment of those present that the legislative Committee should be enlarged by the addition of three to assist in the work before it, and on motion of Mr. Merz, seconded by Mr. Poucher, the following were added as members of the Legislative Committee:—

Mr. J. R. M. Klotz,

Mr. A. C. Burrage, Jr.,

Dr. S. Iserman.

Mr. Poucher then referred to the Open Price Section of the Institute, and stated that he understood

Counsel, Mr. Arthur J. Eddy, had advised a number of his Associations to temporarily discontinue the filing and distribution of price and production statistics, and he referred to an article he had seen in the *Journal of Commerce & Commercial Bulletin* under date of May 12, 1920.

Mr. Baldwin said that speaking for his firm, The National Aniline & Chemical Co., while never having participated actively in the filing of information in the Open Price Plan, he desired to go on record that it withdraws from any Open Price activities and does not desire any part of its assessment to be used to defray the expenses of the Open Price Section.

The Secretary stated that Counsel had not instructed that the Open Price Section discontinue its activities, as he understood the matter was academic in view of the fact that the Open Price Plan had not functioned for some time back. The members were not filing their information and at the meeting of the Board of Governors and the Executive Committee held on April 8th, 1920 a Special Committee was appointed to consider the question of continuing an Open Price Section in the Institute.

Thereupon, on motion of Mr. Baldwin, the Secretary was instructed to advise the Special Committee that the Executive Committee requested that the Open Price Committee be prepared to make its definite report at the next meeting of the Institute.

Mr. Baldwin then referred to the work the Treasurer was doing in an effort to assist consumers in locating sources of supply of domestic dyes in instances where Import Licenses had been refused by the War Trade Board.

He expressed the opinion that the members of the Institute and all American manufacturers were not earnestly co-operating in this work. He said that the members should be impressed with the necessity of an-

swering all inquiries promptly and that the failure of a few manufacturers to answer the inquiries issued by Mr. Danner contributed to delays and dissatisfaction among consumers, and in addition if the manufacturers do not state that they make certain products it will certainly result in that particular product being imported. He also thought the method was very cumbersome, and he said that the Textile Alliance, which was a semi-official body, had had the benefit of two experts and had compiled authentic and authoritative data as to what products were being made in the United States and he thought that this information in the hands of the Textile Alliance, a semi-official body, should also be made available to the War Trade Board, which Board apparently was not in possession of reliable information as evidenced by their circular letter of May 8th, which had reference to the second allotment of 1200 tons of German dyestuffs. This circular detailed the various dyes in the lot and asked the manufacturers to indicate opposite each whether or not they make that product. This information was all, or practically all, already in the hands of the Textile Alliance and he thought that having once been answered, the domestic manufacturers should not be asked to spend the time to go through a subsequent list and reanswer the same questions.

No action was taken by the Committee.

Dr. Killheffer presented a contract for space in the coming Chemical Exposition to be held in Grand Central Palace, to cost $1,113.00.

It was thought, by those present, that it was advisable to take this space, and on motion the Treasurer was authorized to sign the contract and to remit the cost of same. In addition the Exposition people requested that the Institute appoint a Speaker to talk on dyestuffs, and it was agreed that at the next meeting of the Executive Committee the Speaker would be

selected and the Exposition Authorities notified accordingly.

The Treasurer presented a letter he had received from Herman Goldman, Lawyer, to whom The Heller & Merz Co. had referred their claim for $1,000.00, covering advance made to The Chemical Foundation, Inc. Mr. Goldman has asked the Institute for an immediate settlement of this amount. The Treasurer was directed to reply to Mr. Goldman that the Institute understood The Chemical Foundation had recently prepared a financial statement and had under consideration the question of the repayment of the organization expenses which had been advanced to it.

There being no further business, on motion the meeting adjourned.

(Sgd.) H. E. DANNER,
Acting Secretary.

HED:AM

PLAINTIFF'S EXHIBIT No. 562.

American Dyes Institute
Room 511, 320 Broadway
New York

MINUTES OF MEETING
AMERICAN DYES INSTITUTE
June 11, 1920

A meeting of the American Dyes Institute was held at the Hotel Biltmore, New York City, on Friday, June 11, 1920, at 2 P. M.

The following were in attendance:

Althouse Chemical Co.	Mr. H. E. Quereau
Butterworth-Judson Corp.	Dr. Jones
	Mr. Signer
The Barrett Company	Dr. D. W. Jayne
	Mr. R. P. Dunning
The Calco Chemical Co.	Mr. F. M. Fargo, Jr.

John Campbell & Co.	Mr. Quinn
Chemical Co. of America	Dr. S. Iserman
	Mr. C. Kendall
Consolidated Color & Chemical Co.	Mr. P. S. Clarkson
Dow Chemical Co.	Mr. J. T. Pardee
E. I. du Pont de Nemours & Co.	Mr. M. R. Poucher
	Dr. A. D. Chambers
	Mr. Kinsman
Dye Products & Chemical Co.	Mr. S. Simon
	Mr. L. M. Loewenthal
Essex Aniline Works Inc.	Mr. H. W. Hyde
Grasselli Chemical Co.	Dr. J. M. Matthews
The Heller & Merz Co.	Mr. A. Merz
	Mr. W. J. Robertson
Monsanto Chemical Works Inc.	Mr. F. L. McCartney
National Anil. & Chem. Co.	Mr. R. W. Mahon
	Mr. R. T. Baldwin
Naugatuck Chemical Co.	Mr. W. Valentine
Newport Chemical Works Inc.	Dr. E. H. Killheffer
	Mr. J. R. M. Klotz
Peerless Color Co.	Mr. A. L. Benkert
Transatlantic Chemical Corp.	Mr. W. M. Stevenson

Mr. H. E. Danner, Treasurer

Mr. W. R. Corwine, Secretary

Mr. Jas. T. Pardee was elected Chairman of the meeting.

The Secretary asked permission to make a change in the minutes of the previous meeting. In the record the name of Dr. J. M. Matthews was given as the presiding officer while Mr. August Merz had presided. The permission asked for was accorded.

The Chairman called upon the Secretary to report for the Executive Committee and the latter made a

brief statement of the more important matters which had been passed upon by that committee.

At the request of the Chairman the Secretary read the report of the special committee which had been appointed at the previous meeting to consider the advisability of continuing the Open Price Section. That report is as follows:

> "Report of Special Committee Appointed at Joint Meeting of the Board of Governors and Executive Committee to Report on Open Price Plan.
>
> "Gentlemen:
>
> Your Committee has met and discussed the question of whether the Open Price Section of the Institute should be continued, or just what action should be taken with respect to same. At this meeting we had before us advice from our counsel, Mr. Arthur J. Eddy, to the effect that in his opinion it would never be practicable for the American Dyes Institute as such to follow the Open Price Plan. That it would be much better for particular groups, manufacturing the same or similar products, to organize by themselves entirely independently of the Institute. Mr. Eddy has, therefore, recommended that the Open Price Section be abandoned, and that, if we follow his advice, that his services be dispensed with.
>
> Your Committee having carefully considered this believes that advice of our counsel as above should be followed, and so recommends to the Institute.
>
> Respectfully submitted,
> F. M. Fargo, Jr.,
> E. H. Killheffer,
> H. H. Replogle,
> J. M. Matthews."

The Institute endorsed the action which had been taken by the Executive Committee in approving and accepting the report.

As it was apparent that it would be necessary to

change the By-Laws because of the abolition of the Open Price Section the Secretary was instructed to note the changes which would be required and to take the necessary steps to have them adopted.

The Chairman then asked for a report from the Legislative Committee. Mr. M. R. Poucher, Chairman of that committee, in a brief oral statement told the members just what the situation was and said further that a written report was being prepared by Judge J. Harry Covington, Counsel for the committee in Washington, which it was expected would be ready in the near future, perhaps before the next meeting. When ready, Mr. Poucher added, it would be distributed to the members.

Messrs. R. T. Baldwin, J. R. M. Klotz and Dr. S. Iserman also spoke briefly in explanation of the situation.

Dr. Matthews introduced the following resolution which was passed unanimously:

> "Although the members of the Legislative Committee of the American Dyes Institute expressed themselves as being averse to any official endorsement of their work until they should have concluded their labors, yet, in view of what that Committee has accomplished, and for its support in what it still has to do, it is
>
> RESOLVED that the members of the American Dyes Institute hereby express their appreciation of the task performed by the members of the Legislative Committee in furthering, unselfishly and at great personal sacrifice, the Dye Industry through Congressional action, and
>
> RESOLVED Further, that the members of the Institute endorse the work of that committee and tender their thanks not only to its Chairman but to all its members, for their activities, it being the desire of the Institute that the committee should realize that the Institute is grateful for the earnest efforts of that committee to place the Indus-

try on a permanent basis in this country and that it, the Institute, stands loyally behind the Committee."

Mr. Klotz made an appeal for co-operation by the members in the legislative work and said that each ought to exert himself to help the committee in its work.

Mr. Klotz also spoke of the Chemical Exposition to be held in New York City, at the Grand Central Palace, during the week beginning September 20, and in that connection asked for co-operation. He particularly emphasized the necessity of developing speakers to present the cause of the American Dye Industry at the Exposition and at other meetings, and said that from among the manufacturers, it ought to be possible to obtain men who would be effective in such work, just as in other organizations there were prominent manufacturers who were equipped to speak in public on the conditions in their respective industries.

Mr. August Merz said in connection with a suggestion to use moving pictures in an educational campaign, that the Executive Committee had accepted an invitation to attend an Exhibit to be given at the Inter-Ocean Film Corporation at 218 West 42nd Street, at 3 o'clock. He asked that the members visit that studio as the exhibit might suggest some ideas which perhaps could be adopted in any campaign of publicity which might be inaugurated for the American Dyes Institute.

Mr. Poucher suggested that the next meeting be held at some place other than New York, and that the members prepare for a two days' stay. The point was that by spending a couple of days in that way the members would become better acquainted with each other than at the meetings in New York which are necessarily brief. He thought that if the plan were developed and proved satisfactory arrangements

might be made for other meetings to be held in the same way. Mr. Klotz joined with Mr. Poucher in advocating this plan and the members present all concurred in the suggestion.

Under authority conferred upon him the Chairman appointed the following committee to select the time and place for the next meeting, and also to make all arrangements; *i. e.*, Mr. J. R. M. Klotz, Mr. M. R. Poucher and the Secretary.

The Treasurer's report was presented. It is as follows:

TREASURER'S REPORT
American Dyes Institute
June 11, 1920.
As of June 1, 1920.

Balance May 1, 1920		$8,222.16
Received during May		14,648.53
		$22,870.69
Expenditures during May		4,457.00
Balance, June 1, 1920		$18,413.69
Accounts Payable	$5000.00	To five members a/c Chemical Foundation
Accounts Receivable	29678.86	

The report was approved and accepted.

The Secretary announced that with the consent of the Executive Committee he had signed a lease for five years for space on the 11th floor of the Bush Terminal Sales Building at 130 West 42nd Street; that there was ample room there in which to hold committee meetings and perhaps even meetings of the Institute itself; that if more space were desired for the sessions of the Institute there were meeting rooms in the building which were available; that there was a res-

taurant in the building and that the steward had assured him that luncheons could be served in any meeting room; that the telephone number was Bryant 1128. The Secretary asked the members to avail themselves of the new offices as much as possible.

It was decided that all meetings except the one in July and such others as might be ordered outside of New York, be held in the new offices.

There being no further business the meeting adjourned.

Respectfully submitted,
WM. R. CORWINE,
Secretary.

Addendum:

After the meeting a delegation of members went to the studio referred to in the Minutes and saw the exhibit.

PLAINTIFF'S EXHIBIT No. 563.

AMERICAN DYES INSTITUTE
130 W. 42ND STREET
NEW YORK

MINUTES OF MEETING
AMERICAN DYES INSTITUTE
July 15, 1920.

A meeting of the American Dyes Institute was held at the Hotel Griswold, Eastern Point, New London, Conn., Thursday evening, July 15, 1920.

The meeting was called to order at 8:45 P. M. by the President, Mr. R. C. Jeffcott.

In attendance were the following members:

Atlantic Dyestuff Co.	By Mr. Chas. H. Stone
Barrett Company	" Dr. D. W. Jayne
Butterworth-Judson Corp.	" Mr. F. E. Signer

Calco Chemical Co.	By	Mr. R. C. Jeffcott Mr. G. A. Berry Mr. F. M. Fargo, Jr.
Chemical Co. of America	"	Mr. Chas. Kendall Dr. S. Iserman
Dicks, David Co. Inc.	"	Mr. R. P. Dicks
E. I. du Pont de Nemours & Co.	"	Mr. M. R. Poucher Mr. C. A. Meade Dr. A. D. Chambers Mr. E. V. Paterson Mr. Cesare Protto Mr. C. K. Weston Mr. J. W. Kinsman Mr. A. A. Harrison
Essex Aniline Works, Inc.	"	Mr. R. E. Apthorp
Grasselli Chemical Co.	"	Dr. J. M. Matthews
Heller & Merz Co.	"	Mr. August Merz
National Anil. & Chem. Co.	"	Mr. H. F. Atherton
Newport Chemical Works, Inc.	"	Mr. J. R. M. Klotz
Sherwin-Williams Co.	"	Mr. Frank Hemingway
Tower Mfg. Co.	"	Mr. D. H. Jonas
United States Col. & Chem. Co.	"	Mr. B. C. Waldringer

Wm. R. Corwine, Secretary.

Those not in attendance were:

Althouse Chemical Co.
Atlas Color Works, Inc.
John Campbell & Co.
Certified Chemical Corp.
Consolidated Color & Chemical Co.
Commonwealth Chemical Corp.

Dye Products & Chemical Co. Inc.
Gaskill Chemical Corp.
Holland Aniline Co.
Holliday-Kemp Co.
Hydrocarbon Chemical Prod. Co.
Merrimac Chemical Co.
Metals Disintegrating Co.
Monsanto Chemical Works
Geo. H. Morrill Company
Naugatuck Chemical Co.
Organic Salt & Acid Co. Inc.
Peerless Color Company
Trans-Atlantic Chemical Corp.

All those not present had responded to the notices about the meeting, explaining they could not be represented, except the following:

Atlas Color Works, Inc.
Certified Chemical Corp.
Commonwealth Chemical Corp.
Consolidated Color & Chem. Co.
Holland Aniline Co.
Metals Disintegrating Co.
Organic Salt & Acid Co.
Peerless Color Company

As the minutes of the previous meeting had been sent to all the members, and as no changes had been suggested, they were approved and the reading of them dispensed with.

The President called for the report of the Treasurer. In the absence of that officer, who was unable to attend, the Secretary read his report which was as follows:

TREASURER'S REPORT

American Dyes Institute

as of

July 1, 1920

Balance—June 1, 1920	$14,413.69
Income during June, 1920	1,581.56
	$19,995.25
Expenditures during June	5,805.20
Balance, July 1, 1920	$14,190.05
Accounts payable ($5,000 to five members a/c Chem. Found. Inc. $2,500 to Mr. Eddy—Paid July 6, 1920).	$7,500.00
Accounts receivable	$26,863.86

The President asked for a report from the Secretary which should include the action taken by the Executive Committee at a meeting of the latter held Thursday morning, July 15. Thereupon the Secretary summarized some of the more important subjects which had been considered by the committee. These included

A synopsis of a report submitted by the Committee on Sanitation and Safety which had held its first meeting at the Engineers' Club, Philadelphia, July 8th. Those who attended that meeting were Mr. George B. Bradshaw of E. I. du Pont de Nemours & Co., Mr. Victor L. King and Mr. Moses Crossley of the Calco Chemical Co., Mr. Albert G. Peterkin of the Barrett Company and the Secretary of the Institute, together with Dr. Francis D. Patterson, Chief of the Division of Industrial Hygiene & Engineering of the Department of Labor and Industry of the State of Penn-

sylvania and who is also a member of the committee organized at Washington on the general subject of standardization. Dr. Patterson had been specially invited to be present. That report recited the subjects which the committee had considered and announced that another meeting would be held on the 4th of August at the same place.

A report by Mr. J. R. M. Klotz of the Newport Chemical Works, Chairman of a Special Committee which had been appointed at the last meeting of the Institute to confer with the Internal Revenue Commissioner at Washington on the manufacture of commercial alcohol. That committee, besides Mr. Klotz, consists of Mr. D. H. Litter of the Calco Chemical Co. and Dr. S. Iserman of the Chemical Co. of America, and it expressed the opinion that the future held no difficulties for legitimate users of commercial alcohol.

Report of the Legislative Committee which had been filed and which would be explained later by the Chairman of that committee, and which naturally led up to and included the subject of publicity.

The Secretary's report was accepted.

The Chairman of the Legislative Committee, Mr. M. R. Poucher, then, on request of the President, submitted the report of that committee. It was read in full and is as follows:

"The Committee on Legislation of the Institute, selected in the Spring of 1919 to assist in promoting the development of the dye industry in the United States through appropriate legislation by the Congress for the protection of a complete and self-sustaining coal-tar chemical industry in

the country, makes this general report concerning the matters incident to the proposed legislation, and concerning the situation at this time.

Of course the members of the Institute have for a long time been fully aware of the fact that following extensive hearings before the Committee on Ways and Means of the House of Representatives between June 18 and July 18, 1919, the bill known as H. R. 8078, entitled "An Act to Regulate the Importation of Coal Tar Products and to Promote the Establishment of the Manufacture Thereof in the United States" was duly reported to the House of Representatives, passed by that body in September, 1919, and sent to the Senate. It is also well known in the industry that this bill, as it passed the House of Representatives, in addition to an increase of tariff rates on imported dyes and intermediates over the rates in the existing law, as set forth in an amendment to the Chemical Schedule in the Underwood-Simmons Bill, contained provisions establishing a "license system," by which the importation of foreign dyes for domestic consumption for two years after the law was to become effective, could take place only after individual licenses were applied for and issued to dye consumers, or importers representing dye consumers, upon suitable declaration of the consumers under oath, that the quantities of dyes applied for were actually needed by the consumers for current use, and that they were not obtainable in the United States in quantities sufficient for domestic consumption upon reasonable terms as to price, quality and delivery. And the United States Tariff Commission was given the jurisdiction and the power to create the machinery necessary to

determine those foreign dyes which might thus be imported into the United States, and to provide the regulations necessary to safeguard the issue of licenses for proper quantities of dyes to those consumers in good faith entitled to obtain them.

This bill, under the existing conditions, was admittedly satisfactory in principle to the great body of dye consumers in the United States because they had come to realize as the result of the recent war, that they ought to have available in this country at all times a complete and prosperous dyes industry to make them independent of foreign supply.

After the House bill reached the Senate it was referred, as most of you know, to the Finance Committee, and that body sent it to a sub-committee to conduct full hearings in reference to it. Those hearings were had in December, 1919, and January, 1920, and the testimony was as complete and convincing for legislation in addition to tariff, as it had been before the Committee on Ways and Means of the House.

During the progress of those hearings it developed that the "license system" to control imports of foreign dyes into the United States would not be accepted by the Senate, and in the place thereof a qualified embargo on the admission of foreign dyes to this country for a period of three years was devised by the Sub-Finance Committee, and the control of the administration of such embargo, and the regulations respecting the exceptions thereto which justify importations, was placed in the United States Tariff Commission, as had been the "license system" by the House of Representatives bill. With the view of the members of the Finance Committee that the embargo

would be effective, and would during the years of its operation be sufficient protection, the proposed tariff rates on imported products were restored to the revenue rates in existence under the amended Chemical Schedule of the Underwood-Simmons Bill.

The amended bill was unanimously reported to the Senate on February 13, 1920, as will probably be recalled by those who have followed the progress of the legislation, and its principles were cheerfully accepted by the industry as a substitute for its own proposals, at the same time that the great majority of the dye consumers of the country approved it.

Of course it is known, however, that immediately upon the report of the bill it became the object of persistent criticism and attack from its opponents.

It would be useless at this time to review in detail the objections urged by the opponents of the Senate Bill. Your Committee and its counsel were constantly available to analyze from both the manufacturing and legal viewpoint the numerous proposals to amend the bill. Save in a few instances the opposition to the legislation was from the importers who obviously wanted the fullest possible chance to import foreign dyes with which to undersell the American producer, or from that minority of consumers more concerned with an immediate competitive market in dyes than with the establishment of a thoroughly independent and self-sustaining dye industry in the United States. It is fair to say in this connection that there were a few instances where constructive suggestions for changes came from consumers who are in sympathy with the proposed legislation.

Your Committee, in presenting the case for the American dyes industry to the Committee of the House of Representatives and the Senate, proceeded upon the openly declared idea that the testimony of impartial witnesses at the hearings would abundantly establish the fact that an American dye and related coal-tar chemical industry is absolutely essential to the national defense and national welfare, and that the existence of high tariff duties on foreign dyes and intermediates is not by any means enough to protect such an industry in the United States from destruction through foreign commercial attack during the temporary period when it is developing complete production for the country. In other words, your Committee proceeded upon the frank theory that a practical embargo against foreign dyes of the same kind and quality as those being produced commercially in the United States is a conceded necessity until our industry is fully developed.

You are familiar with the testimony at the hearings and, of course, know that it was established by the statements of military experts and chemists who have no connection with the dye manufacturers that a complete and self-sustaining dye and coal-tar chemical industry in the United States is a vital necessity for our national defense, national health and general industrial welfare. The completeness with which that truth was brought out is, we are entitled to believe, evidenced by the passage of the bill in the House of Representatives by a substantial majority, and by the favorable report of the amended Senate bill by the Finance Committee.

Notwithstanding the pressure of legislative business in the Senate, and the pendency of the Peace Treaty as a continual problem, the Senate

by a very substantial majority vote took up the dyes bill for consideration with a view to its passage. With the urgent necessity for providing the necessary appropriations to operate the Government for the current fiscal year supplementing the Peace Treaty situation, those opposed to the legislation in the form in which it was reported by the Senate Committee were able to occupy a sufficient amount of the time of the Senate, under existing rules, to make those in charge of the bill appreciate the impossibility of attempting to press the measure for passage.

At the same time your Committee is glad to be able to report that apparently a decided majority of the members of the Senate favor the passage of legislation to protect the American dye industry on the general plan embodied in the pending bill. The essential character of the industry as related to the national defense and national health seems to have been generally accepted, the vote for consideration above referred to clearly justifying such assertion by your Committee.

In making this report it is eminently proper to state what the most of you know, that the great majority of the dye consumers of the country have been vigorously supporting the proposed legislation. These consumers have appreciated that both in the original "license system" proposed by the manufacturers and adopted by the House, and in the "qualified embargo" plan substituted by the Senate Committee, adequate provision was made for the consumers to secure from time to time all varieties of foreign dyes when the same kind or satisfactory substitutes are not made in this country.

The attitude of your Committee has been, and

in that it knows it has expressed the view of the dye industry, that the consumer must be given ample opportunity to have as full a variety of colors as the consumers of other countries. Co-operation between the manufacturer and the consumer is essential in the dye industry, and it is the Committee's view that a continuance of the recent co-operation may be looked for from the consumers who have heretofore supported the legislation necessary to develop our industry.

For the information of those among you who are not familiar with the details of parliamentary procedure in the Congress of the United States it can be stated that the adjournment of Congress on June 5 last did not operate to defeat the pending bill. It retains its status as a bill passed by the House of Representatives, reported with amendments by the Senate Finance Committee, and on the Senate calendar for consideration. In other words, it may be called up for final passage in the Senate at any time in the session of Congress beginning on the first Monday of December next.

In the meantime it is, of course, known that the Congress provided an appropriation for the War Trade Board Section of the Department of State so that the dye consumers may import their necessary six months' supplies of dyes not yet made in the country, while at the same time the general importation of foreign dyes to injure or destroy the American producers may be effectively prevented.

Respectfully submitted,

M. R. Poucher, Chairman R. T. Baldwin
R. C. Jeffcott A. C. Burrage, Jr.
J. R. M. Klotz Dr. S. Iserman
Wm. R. Corwine, Secretary."

There then followed a discussion in which most of the members present participated, and which bore directly upon the report and matters which were collateral to and coincident with the work of the Legislative Committee. Numerous questions were asked of the Chairman for the purpose of elucidating some of the points which had been made in the report, and these questions were answered fully and directly.

The Chairman of the Legislative Committee explained the personnel, plan and scope of what was originally known as the War Trade Board and which is now known as the War Trade Board Section of the State Department, and the work of the Textile Alliance, Inc., which had been designated by the Government as the medium through which dyes had been and were being imported from the dyes in the control of the Reparation Commission under the terms of the Treaty of Peace with Germany. It was stated by the Chairman of the Legislative Committee that though the Treaty of Peace had not been ratified by our government yet the requests of the consumers for needed reparations dyes had been granted freely.

The history of the organization of the Advisory Committee to assist the War Trade Board in the granting of licenses in the importation of dyes was also recited. That Advisory Committee, composed of representatives of prominent consumers of dyes and of manufacturers of dyes, was also acting in an advisory capacity to the Textile Alliance. Numerous matters of detail in connection with this important subject and its ramifications were fully set forth by the Chairman of the Legislative Committee and by the President of the Institute, who is also a member of that committee. There was then a very full and frank discussion of the situation as it had existed and as it exists at present.

After the discussion several members who had not been present at the last meeting of the Institute suggested a resolution of thanks to the Chairman of the Legislative Committee and his associates for the efforts made by that Committee on behalf of the American Dye manufacturers, so that the Committee might be assured of the appreciation by the Institute of the unselfish devotion of the Committee to its fellow manufacturers, and of its willing active prosecution of the work which was thrust upon it, the burden of which its members had cheerfully accepted. In this suggestion several members of the Institute joined in paying the Committee a high measure of praise for its unceasing and well-directed activities, desiring it to know that the Institute endorsed heartily what the Committee had done and wanting it also to be assured that the Institute would stand behind the Committee in its future efforts to protect the American Dyes Industry. The attention of those members was called to the fact that at the meeting of the Institute held June 11, 1920, a resolution embodying its thanks and expressing its appreciation had been introduced and passed unanimously, and that it had been incorporated in the minutes and sent to all members. Those members, however, who were not then present, were of the opinion that the fact that the Institute was grateful to the Legislative Committee could not be reiterated too often, and desired that the substance of what had been said be incorporated in the records of the proceedings.

As some of the members were not satisfied that the license certificate of the War Trade Board and the application which must be filed by the consumer properly protected the manufacturers' interests, the Secretary was requested to obtain copies of those documents and send one to each member of the Institute,

and, at the same time, to obtain and send to members, copy of the list of dyes recently issued by the Textile Alliance. In this connection it was stated that the authorities in Washington on the various boards having anything to do directly or indirectly with the dye situation would welcome every possible co-operation by dye manufacturers and those manufacturers who had not already filed the lists of their products with the United States Tariff Commission, in response to the efforts of that Commission to co-operate with the War Trade Board Section of the Department of State, were advised to file them without delay. It was also suggested that in filing lists of products, manufacturers of dyes should give the pre-war titles or names of their products, to assist the War Trade Board in keeping out competing colors.

The President stated that he had been requested to appoint a committee on the nomenclature, spelling and pronounciation of chemical products as applied to the dyestuffs industry, and as this suggestion met with the approval of the meeting he named as members of that committee, Mr. J. Warren Kinsman of E. I. du Pont de Nemours & Co., Dr. D. W. Jayne of the Barrett Company, Mr. J. R. M. Klotz of the Newport Chemical Works, Dr. J. Merritt Matthews of the Grasselli Chemical Company and Mr. L. H. Cone of the National Aniline & Chemical Co., the committee to select its own chairman.

Dr. J. Merritt Matthews told of an interview which he had had with a representative of the Mellon Institute of Pittsburgh, in which the Institute had been asked to explain, for educational purposes, dyes in their relation to laundry work, so that laundrymen might understand better than they do now, just what the situation was and also so that dyers of washable goods might be more careful in dying garments which had to stand the usage of laundering. It was decided

that this matter should receive attention and the Chairman was authorized to appoint a committee to study the subject and to ascertain the best way in which, in its judgment, the information sought might be imparted. The President nominated Dr. J. Merritt Matthews of the Grasselli Chemical Co., as Chairman of that Committee, and Mr. E. V. Patterson of E. I. du Pont de Nemours & Co., to co-operate with him, asking the members to file suggestions as to the names of other members who might serve efficiently on that committee.

The committee which had been appointed to arrange for the present meeting was discharged, but was immediately reappointed with power to fix the time and place for the next meeting. That committee consists of Mr. J. R. M. Klotz of the Newport Chemical Works, Mr. M. R. Poucher of E. I. du Pont de Nemours & Co. and Mr. William R. Corwine, Secretary of the Institute.

During the discussions the President made an earnest appeal for the co-operation of the members. He said that he appreciated the honor which had been bestowed in his selection for and election to the presidency of the Institute, that he would cheerfully serve upon the condition that the members, including the executives of the companies forming the membership of the Institute, co-operated in the important work which lay before the dye manufacturers of our country. He deprecated the absence from meetings of many of the leading men in the industry, and said that it was unfair that the burden of the work should fall upon a comparatively few of the loyal members. He spoke of his trip abroad and told how active were the German Dye manufacturers in Paris, how skilfully the presidents of the leading German companies were working to arrange conditions which would be favora-

ble for themselves, and how poorly the United States manufacturers were represented. While our country had not ratified the Treaty, and, of course, could not be officially represented in the various conferences which were continually being held in Paris, yet the Germans managed to secure influence on the more important committees and insidiously worked to reestablish themselves in the use of their dyes. Their aims had been temporarily frustrated through the prescience of one of the representatives of the Allies who had sensed the result of the policy which the Germans were indirectly leading up to, but that our great industry, which had so much at stake, had had no part in developing a policy which would check the Germans. His conclusion in this connection was that the American Dye manufacturers ought to be represented by one of its most competent men, not by a brief visit to Paris, but to remain there for a long period of time to prevent our progress from being delayed through the machinations of the German representatives. The information which the President imparted was not only interesting but informative, and gave the Institute a new viewpoint. The Chairman of the Legislative Committee also told of the situation which had existed in Washington when the Advisory Committee to the War Trade Board had been appointed, and how arduously and intelligently it had worked to circumvent a policy which had been advocated and almost adopted, and which, if it had prevailed, would have resulted almost, if not entirely, in the extermination of the American Dye Industry. The President clearly showed that in work of this kind the members ought to co-operate, not in a perfunctory way, but actively and that through the presence of the executives of the corporations forming the membership the Institute would receive the benefit of the advice of men who had successfully

conducted their own affairs, and who could help shape policies which would be not only for the benefit of the industry as a whole, but for the country itself.

The meeting adjourned at 11:45 P. M.

Respectfully submitted,

WM. R. CORWINE, *Secretary.*

WRC/VS

PLAINTIFF'S EXHIBIT No. 564.

MINUTES

OF MEETINGS OF BOARD OF GOVERNORS OF AMERICAN DYES INSTITUTE

HELD AT YAMA FARMS, NAPANOCH, N. Y.

In the Evening of Wednesday, September 29, and in the Morning and Afternoon of Thursday, September 30, 1920.

In attendance were the following members of the Board of Governors:

Mr. A. C. Burrage, Jr., Manager of Atlantic Dyestuff Co., of Boston, Mass.

Mr. R. C. Jeffcott, President of the Calco Chemical Co., of Bound Brook, N. J.

Dr. S. Iserman, President of The Chemical Co. of America, of New York City.

Mr. M. R. Poucher, Director of Dyestuff Sales Department of E. I. duPont de Nemours & Co., of Wilmington, Dela.

Mr. H. W. Hyde, President of Essex Aniline Works, Inc., of Boston, Mass.

Dr. J. M. Matthews, of the New York office of The Grasselli Chemical Co.

Mr. August Merz, of The Heller & Merz Co., of Newark, N. J.

Mr. S. W. Wilder, President of the Merrimac Chemical Co., of Boston, Mass.

Mr. R. T. Baldwin, of the National Aniline & Chemical Co., of New York.

Mr. J. R. M. Klotz, Manager, representing Mr. E. H. Killheffer, of the Newport Chemical Works, Inc., of Passaic, N. J.

Mr. Frank Hemingway, of the Sherwin-Williams Co., of Cleveland, O.

and

Mr. W. R. Corwine, Secretary.

The only members of the Board of Governors who were not present were:

Mr. Jas. T. Pardee, Vice President and Secretary of the Dow Chemical Co. of Midland, Mich., who had advised that it was impossible for him to come because of another engagement which he could not break.

Mr. B. P. Donnelly, Secretary of the Holland Aniline Co., of Holland, Mich.

and

Mr. F. L. McCartney, Manager of the New York office of the Monsanto Chemical Works of St. Louis, Mo.

Both of whom had written expressing regret that it would be impossible for them to attend.

In addition there were in attendance, by general invitation of the Board of Governors, other officers of companies represented on the Board, as follows:

Mr. Charles H. Stone, Vice President of the Atlantic Dyestuff Co.

Mr. T. M. Rianhard, Vice President

and

Mr. D. W. Jayne, Manager of the Chemical Department of The Barrett Company.

Mr. F. M. Fargo, Jr.

and

Mr. G. A. Berry, Vice Presidents of The Calco Chemical Co.
Mr. C. H. Kendall, Vice President and General Manager of The Chemical Company of America.
Mr. Irenee duPont,
Mr. C. A. Meade, Director of Manufacture,
and
Judge J. P. Laffey, Counsel for E. I. duPont de Nemours & Co.
Mr. T. S. Grasselli, President,
Mr. W. T. Cashman, Counsel,
and
Dr. R. N. Wallach, Manager of the Dyestuff Department of Grasselli Chemical Co.
Mr. O. F. Weber, President,
Mr. J. W. Newlean, Vice President,
and
Mr. H. F. Atherton, Secretary of National Aniline & Chemical Co.
Mr. C. N. Turner, Vice President of The Newport Company.
Mr. Edward S. Chapin, who had just returned from France, and Germany, where he had been for over seven months representing the Textile Alliance, Inc.

Mr. R. C. Jeffcott, President of the American Dyes Institute, presided at the three sessions of the Board.

The first subject which was discussed was the advisability of having representatives in Paris who could be in touch with the work of the Reparations Commission and also with the work of its sub-committees on dyestuffs and pharmaceuticals.

Mr. Edward S. Chapin, in February, 1920, had been selected by the Textile Alliance, Inc., as its representative in Paris in connection with the work of

securing the dyes needed by Textile manufacturers of this country, in co-operation with the War Trade Board Section of the Department of State for consignment to that Alliance. Mr. Chapin, in the course of his work, had visited many of the dye factories in Germany, had talked with Dr. Weinberg, Dr. Duisberg, Dr. Bosch and others of the German Cartel, and therefore had the latest first-hand information.

He had presented his report to a meeting which had been held that morning in New York, of the War trade Board Section of the Department of State, its Advisory Committee of Consumers and Dye Manufacturers and the Textile Alliance, Inc. The report had been received and approved, and Mr. Chapin had been given authority to impart to the Board of Governors of the American Dyes Institute, the information which it contained.

The Chairman called upon Mr. Chapin to address the session. This Mr. Chapin did. His statements were extremely interesting. They covered the salient points in his report. That report in full was released for publication October 2 and was published. A copy of it will be sent to all members.

After Mr. Chapin had finished his remarks there was a general discussion on the advisability of adopting a suggestion which had been made by Mr. R. C. Jeffcott, President, and emphasized by the address of Mr. Chapin, to the effect that the Institute itself have representatives at Paris. In this connection the thought was expressed that the usefulness of such representatives would be increased if they could, in some way, obtain the endorsement of the Department of State. It was the unanimous opinion that the policy outlined would be a wise one to adopt, and the suggestion was endorsed. The authority to act in this matter was given to the Legislative Committee.

Mr. Joseph H. Choate, Jr., was mentioned in the belief that he, with his wide knowledge of the dye industry, together with his ability as a lawyer, his standing at the Bar and his prestige, would be eminently the person to represent the Institute in Paris. It was not known, however, whether or not he would accept such an appointment. It was also thought that there should be appointed to assist him, one or more men of technical training who could advise him upon the complicated problems which were constantly arising.

The meeting adjourned at 12 midnight, to meet again the following morning, Thursday, September 30, at 9:30 o'clock.

SECOND SESSION.

At the second session in the morning of September 30 there was discussed the question of what, if any, policy should be pursued by the Institute in conducting an educational campaign. Various plans which had been submitted to the Committee on Education and also to the Legislative Committee were explained. This subject was discussed at considerable length and it was the opinion of a considerable majority that it would be inadvisable to undertake a campaign of that kind at the present time. The subject was not dismissed entirely, but was left in such shape that it might be taken up in the future.

It was the consensus of opinion that the Legislative Committee should be aided in every possible way in the work which it had in hand, and the whole question of what had best be done in the premises was left to that committee in whose members all present expressed the utmost confidence.

The session adjourned at one o'clock for luncheon, to assemble that same afternoon at 2:30 o'clock.

THIRD SESSION.

At the third, or afternoon session, September 30, there was a general discussion upon matters affecting the industry, and Judge J. P. Laffey, Counsel for E. I. duPont de Nemours & Co., was asked by the Chairman to address the meeting on the legal aspects of association work. Judge Laffey had been in close contact with Mr. Arthur J. Eddy, Counsel for the Open Price Association of the American Dyes Institute, who also to a large extent had been an advisor of the Institute itself. The informal talk of Judge Laffey was very interesting.

In the absence of the Treasurer the Secretary read the summary of the report of that official, as of September 1, 1920. It is as follows:

Treasurer's Report

AMERICAN DYES INSTITUTE

As of September 1, 1920.

Balance August 1, 1920	$11,892.82
Received During August, 1920,	5,385.51
	$17,278.33
Expenditures During August	2,120.10
	$15,158.23

Accounts Payable $5000 (to five members—a/c Chemical Foundation, Inc.).

Accounts Receivable—$33,066.36.

The Secretary filed a detailed statement of the Treasurer's Report for the seven months of the year from January 1 to July 31, 1920, and the Auditor's Report for the year ending Dec. 31, 1919.

At four o'clock the meeting adjourned without naming a future date but with expressions on all sides

that similar meetings should be held in the future twice a year or oftener.

Respectfully submitted,

WM. R. CORWINE,
Secretary.

WRC/VS

PLAINTIFF'S EXHIBIT No. 565.

MINUTES OF A MEETING OF THE EXECUTIVE COMMITTEE OF THE AMERICAN DYES INSTITUTE HELD AT THE OFFICE OF THE INSTITUTE, OCTOBER 7, 1920, AT 10:30 A. M.

In attendance:

Mr. R. C. Jeffcott, President of the Institute, in the Chair,
Mr. R. T. Baldwin,
Mr. August Merz,
Mr. M. R. Poucher,
Dr. J. M. Matthews,
Mr. J. R. M. Klotz,
Mr. H. E. Danner, Treasurer, and
Mr. W. R. Corwine, Secretary.

Mr. James T. Pardee had wired and Mr. A. C. Burrage, Jr., had written that they could not be present.

As the minutes of the previous meeting had been sent to all the members of the Committee, and as there were no corrections suggested, the reading of them was dispensed with and they were declared accepted.

An invitation from the National Industrial Conference Board to participate in a Tax Conference at the Hotel Astor, Friday and Saturday, October 22 and 23, 1920, was submitted. The Institute had been asked to appoint two delegates to attend the conference. It

was decided that the Institute ought to be represented at the conference. As, however, the Executive Committee, at a meeting held June 11, 1920, had decided not to join the National Industrial Conference Board, the Executive Committee reconsidered the action which had been taken at the June meeting. The Chairman was thereupon authorized to appoint two members to represent the American Dyes Institute at that conference and to report not only on the conference itself, but as to the advisability of joining that Board.

An invitation of the American Manufacturers' Export Association to attend the Eleventh Annual Convention of that association to be held at the Waldorf-Astoria Hotel Thursday, October 14, 1920, and also to attend the Annual Banquet to be held at that place on the evening of that date, was presented. It was decided not to accept that invitation.

A letter from the Commissioner of the Department of Labor and Industry of Harrisburg, Pa., concerning a meeting to be held at Harrisburg in or about the middle of October to discuss the subject of a State Building Code, was read. The Secretary was instructed to submit that subject to the members of the Committee on Sanitation and Safety.

The Treasurer's report was then read. It was as follows:

Treasurer's Report.

As of October 1st, 1920.

American Dyes Institute.

Balance, September 1, 1920,	$15,158.23
Received during September	131.85
	$15,290.08
Expenditures during September	3,196.65
Balance, October 1, 1920,	$12,093.43

Accounts Payable $5000 to 5 members a/c Chemical Foundation, Inc.
Accounts Receivable $33,028.86.

The report was received and ordered on file.

In the discusion which followed it was decided that the Treasurer should consider the payments to the Treasury of $5000 each by the National Aniline & Chemical Co. and by the duPont Company in 1919 as advance payments to be applied against any assessments in 1920, and that the $1000 which had been advanced by each of five members in connection with the organization of the Chemical Foundation, Inc., should also be credited to the members who had made the advances and should be applied against their 1920 assessments.

Mr. J. R. M. Klotz, to whom had been referred certain accounts which were in arrears for dues and assessments, reported that he had collected the amount due from the Metals Disintegrating Co., *viz.*, $325, and had sent the check to the Treasurer, but that that company had tendered its resignation.

He moved that the resignation be accepted. The motion was carried.

The other accounts which had been turned over to him, *viz.*, those of the Transatlantic Chemical Corp., Organic Salt & Acid Co. and the Atlas Color Works were left in his hands for such action as he might deem it best to take in collecting the amounts due from each.

The Accounts Receivable, as shown on the Treasurer's books, were discussed and the manner and method of collecting them was referred to the Treasurer with whom Mr. J. R. M. Klotz consented to cooperate.

The account of the Chemical Foundation, Inc., as rendered to Mr. Jeffcott by Mr. Francis P. Garvan,

was placed in the hands of the Legislative Committee to settle.

It was decided not to take space for the Seventh Exposition of Chemical Industries, at least at present, and the Chairman was authorized to appoint a committee to consider the whole subject of exhibiting at that Exposition with the view of learning to what extent the members would participate through or with the Institute and then to decide whether or not the Institute ought to participate.

The conclusion reached at the meeting of the Board of Governors held at Yama Farms, Wednesday evening, September 29, to the effect that the Institute should have a representative at Paris, was then discussed. Mr. Joseph H. Choate, Jr., had been spoken of at the Yama Farms meeting as being eminently the person to represent the Institute in Paris.

The question of the fees of Mr. Joseph H. Choate, Jr., and Judge J. Harry Covington for the work done by them in connection with the dyestuff legislation, was discussed. As no bills had ever been received from either one of the two, the Legislative Committee was requested to ask each of them to send in his bill, so that the matter might be attended to.

The Treasurer, Mr. Danner, was given authority to co-operate with the Chemical Foundation, Inc., in the same manner in which he was now co-operating with the War Trade Section of the Department of State in securing information about dyes which were made in this country for which applications for licenses to import were under consideration by the War Trade Board.

There being no further business the meeting adjourned.

Respectfully submitted,

WM. R. CORWINE,

Secretary.

PLAINTIFF'S EXHIBIT No. 566.

Minutes of a meeting of the Executive Committee of the American Dyes Institute held at the office of the Institute Friday, the 29th of October, 1920, at 11 A. M.

In attendance:

Mr. R. C. Jeffcott, President of the Institute in the Chair.
Mr. R. T. Baldwin,
Mr. H. G. Stephenson, representing Mr. M. R. Poucher, who was unable to attend
Dr. S. Iserman
Mr. August Merz,
Mr. J. R. M. Klotz,
Dr. R. N. Wallach

together with

Mr. H. E. Danner, Treasurer,
and Mr. W. R. Corwine, Secretary.

The Treasurer presented his report which was accepted and ordered on file. It was as follows:

TREASURER'S REPORT
American Dyes Institute.

Balance, October 1, 1920		$12,093.43
Received up to and including October 29		46,371.94
		$58,465.37
Expenditures up to and including October 29		31,860.05
Balance, October 29, 1920		$26,605.32
Accounts Payable	$25,000	(To Judge J. Harry Covington)
Accounts Receivable	26,108.54	

The meeting took up the work which the Legislative Committee had been engaged upon; that is to say: arranging for the proportions to be used as the basis for an assessment to be levied upon the members, the total amount of the assessment which had been suggested by the Legislative Committee being $70,000.

That amount was named as being necessary to meet expenses already incurred and for the purpose of continuing the activities of the Institute to the end of the year together with such publicity work as the Legislative Committee might consider necessary.

On behalf of one of the members of the Committee, namely, Mr. M. R. Poucher, it was suggested that for the purpose of arriving at a basis for working out percentages which would be adjusted automatically some method ought to be adopted which would produce such a result instead of forcing the designation of an arbitrary proportion in allocating assessments among members. On Mr. Poucher's behalf it was stated that in his opinion a fair method would be to base the assessment upon the output by pounds of intermediates and dyes manufactured for sale, and it was cited that the members were already filing their total production with the U. S. Tariff Commission. For purposes of assessment, therefore, Mr. Poucher thought that the total number of pounds produced for sale would be a fairer basis than the total output, as reported to the U. S. Tariff Commission, and that if such a plan were agreeable to the Institute, it might be possible to have the information required placed in the hands of, say, a chartered accountant, who could work out the percentages and hold inviolable the information filed with him.

In the discussion of that suggestion some members expressed the view that the Industry had not yet reached the point where it would be possible to develop that idea practicably, although nearly all expressed

the hope, and even the belief, that before long the members would be willing to file figures showing the exact production.

The committee concluded the work which had been undertaken in connection with the suggestion of the Legislative Committee, and worked out a list of percentages applicable to each member.

The President announced that the bill of Mr. Joseph H. Choate, Jr., amounting to $25,000, had been paid just prior to the departure of that gentleman for Paris, but that Judge Covington's bill, in like amount, had not yet been paid. It was the opinion of all the members present that Judge Covington's bill ought to be paid as soon as possible.

In connection with the assessment, the Executive Committee adopted the following resolution:

RESOLVED

That for the purpose of meeting expenses already incurred, also obligations incurred, and for the purpose of continuing the activities to the end of the year, together with such publicity work as the Legislative Committee may consider necessary, an assessment of $70,000 upon the members of the Institute is hereby recommended by the Executive Committee, and that the Executive Committee recommends to the Institute that this amount of $70,000 be prorated among the members of the Institute in proportions as shown on the attached list.

The meeting then adjourned to meet later with the members of the Institute itself.

Respectfully submitted,

WM. R. CORWINE,
Secretary.

WRC/VS

PLAINTIFF'S EXHIBIT No. 567.

American Dyes Institute
130 W. 42nd Street
New York

MINUTES

MEETING—AMERICAN DYES INSTITUTE

Friday, October 29, 1920.

Minutes of a meeting of the American Dyes Institute held at the office of the Institute, Friday, October 29, 1920, at 2 P. M.

Mr. R. C. Jeffcott, President of the Institute, was in the chair.

The Treasurer, Mr. H. E. Danner, and the Secretary, Mr. Wm. R. Corwine, were also present.

The roll call disclosed the attendance of the following:

Firm	*Represented by*
Althouse Chemical Co.	Mr. H. E. Quereau
Atlas Color Works Inc.	Mr. A. J. Thieme
Butterworth-Judson Corp.	Dr. N. F. Borg
Calco Chemical Co.	Mr. R. C. Jeffcott
Chemical Co. of America	Dr. S. Iserman
	Mr. C. Kendall
Consolidated Color & Chemical Co.	Mr. H. A. Metz
Dicks, David Co. Inc.	Mr. A. B. Johnson
E. I. du Pont de Nemours & Co.	Mr. H. G. Stephenson
Dye Products & Chemical Co. Inc.	Mr. Sidney Simon
	Mr. L. M. Loewenthal
Grasselli Chemical Co.	Dr. R. N. Wallach
The Heller & Merz Co.	Mr. August Merz
Hydrocarbon Chemical Prod. Co.	Mr. Alfred J. Thieme
Merrimac Chemical Co.	Mr. S. W. Wilder

Firm	*Represented by*
National Aniline & Chemical Co.	Mr. Robert T. Baldwin
Naugatuck Chemical Co.	Mr. W. Valentine
Newport Chemical Works Inc.	Mr. J. R. M. Klotz
Transatlantic Chemical Corp.	Mr. W. M. Stevenson

The Treasurer's report was read by that officer and was as follows:

TREASURER'S REPORT.

American Dyes Institute

Balance October 1, 1920		$12,093.43
Received up to and including October 29		46,371.94
		$58,465.37
Expenditures up to and including October 29		31,860.05
Balance, October 29, 1920		$26,605.32
Accounts Payable	$25,000	(To Judge J. Harry Covington)
Accounts Receivable	$26,108.54	

The report was accepted and ordered on file.

As it had become known to the Institute that the Interstate Commerce Commission had under consideration a change in the classification of Wet Picric Acid from an Inflammable to an Explosive, a special committee had been appointed to study the subject on behalf of the Institute. That committee consists of:

Dr. N. F. Borg, Butterworth-Judson Corp., Chairman.

Mr. R. T. Baldwin, National Aniline & Chemical Co.

Mr. A. L. Gardner, Merrimac Chemical Co.

Dr. V. L. King, Calco Chemical Co.

Mr. J. W. Kinsman, E. I. du Pont de Nemours & Co.
Mr. W. R. Corwine, Secretary.

Dr. Borg, on behalf of the committee, read a report which is as follows:

Oct. 15, 1920.

"American Dyes Institute
130 West 42nd St.,
New York, N. Y.
Gentlemen:

The Committee on Transportation of Picric Acid has held three meetings on the following dates: August 26 and 31 and on September 24. The meetings were held in the Committee Room of the American Dyes Institute, and the committee consisted of the following representatives:

Dr. N. F. Borg, Butterworth-Judson Corp., Chairman.
Mr. R. T. Baldwin, National Aniline & Chemical Co.
Mr. A. L. Gardner, Merrimac Chemical Co.
Dr. V. L. King, Calco Chemical Co., Bound Brook, N. J.
Mr. J. W. Kinsman, E. I. du Pont de Nemours & Co.

together with

Mr. W. R. Corwine, Secretary.

The first meeting took the form of a general discussion with the suggestion that Dr. Borg see Col. Dunn of the Bureau of Explosives to ascertain his views.

Inasmuch as Col. Dunn, who is the Chief Inspector of the Bureau of Explosives, when interviewed by Dr. Borg, had expressed his willingness to confer with the committee, either in his

own office or at our regular meeting office, it was arranged to have Col. Dunn present at our Second Meeting.

Col. Dunn was so present and stated his views principally as follows:

> 'A carload or a barge load of picric acid may or may not explode if a fire starts near it. The moisture content of the picric acid is immaterial as the water will be evaporated or boiled off by the heat from the fire and the temperature raised to the danger point.'

As an illustration Col. Dunn stated that his own investigation of the Black Tom disaster proved that a barge load of picric acid of unknown moisture content caught fire, drifted up stream with the tide and exploded. This explosion was in Col. Dunn's opinion due to the fact that the temperature of this bulk Picric Acid was raised to the critical point.

Col. Dunn admitted that under similar conditions a bulk of picric acid may not explode, but that there is no assurance that it would not. He contends that, owing to this fact, Picric Acid should no longer be classified as an inflammable but as a high explosive. This change, however, will not alter conditions in such a manner as to hamper transportation, other than the usual high explosive restrictions.

While is has been shown that wet picric acid is comparatively insensitive to detonators and blasting caps, nevertheless picric acid is only insensitive in this regard when wet. While it is impossible to explode picric acid containing 10% of water either by shooting bullets through it, dropping weights upon it, or exploding blasting caps in it, nevertheless melted picric acid is extremely sensitive to shocks of various kinds.

As the latter situation usually is obtained in fires, wet picric acid is potentially a high explosive. In all of the explosions, the descriptions of which are incorporated in our Minutes, the actual explosion took place when the roof fell into the fire, which substantiates the fact that melted picric acid is extremely sensitive to shock.

It naturally follows that any substance which during a fire may eventually become an explosive may be classified as such and this development may have a serious hampering effect on the manufacturing, handling and transportation of dyes.

In reference to the storing of picric acid, this is principally a question of locality and is covered in the table of American distances. Regarding the packing of picric acid, Col. Dunn asked the committee to make recommendations. The following letter was formulated and sent to Col. Dunn:

September 24, 1920.

'Col. D. W. Dunn, Chief Inspector,
Bureau of Explosives,
30 Vesey St., New York City.

Dear Sir:

The Committee of the American Dyes Institute has acted upon your suggestion and considered the size and weight of packages for the transportation of Picric Acid, the character, dimensions, and quality of containers and the method of loading cars, and wishes to submit the following recommendations:

Wet or Dry Picric Acid must be packed in wooden barrels, half barrels or kegs complying with I. C. C. Shipping Container Specification #17, except that in this case boxes shall be lined with paraffin paper instead of zinc, lead-coated steel or any other metal.

The gross weight of each package in any case shall not exceed 600 pounds.

Barrels, half barrels or kegs must be loaded on end in box cars. If more than one tier of containers are loaded into one car, planks must be placed between the tiers. An open space must be left between the doors of the box cars. All containers facing this space and in each tier must be held in place by two pieces of timber measuring at least 2" x 4" reaching across the face of each tier from side to side of the car and placed above and below the bilge in each tier and braced against each other across the open space. Under no circumstances should any of the bracing be nailed to any of the containers.

The members of this committee take this opportunity to thank you for the interest which you have taken in our work, for your helpful suggestions and for your co-operation.

Sincerely yours,

(Sgd.) N. F. BORG,
Chairman, Committee on Transportation of Picric Acid.
American Dyes Institute.'

Col. Dunn stated that he might have a conference with the Interstate Commerce Commission on the subject in question about Jan. 1, 1921, or possibly later and that if any change was made in the classification of picric acid, it would not take effect for ninety days after the change was ordered.

Despite the combined experience of the members of your committee and that of the firms they represent, as well as all other available evidence, it is impossible to dispute the contentions of the Bureau of Explosives on this matter or to prove

that Picric Acid should not be correctly classified as a High Explosive. However, your committee holds itself ready for further action should such be deemed advisable by the American Dyes Institute.

Respectfully submitted,
N. F. Borg,
Chairman, Committee on Transportation of Picric Acid of American Dyes Institute."

The report was accepted and ordered filed, the committee being thanked for its work. It was requested to serve until the Interstate Commerce Commission had definitely acted on the subject.

The Secretary reported on behalf of the special committee on Sanitation and Safety. That committee consists of the following:

Mr. M. L. Crossley, Calco Chemical Co., Chairman
Mr. A. G. Peterkin, The Barrett Company,
Mr. G. B. Bradshaw, E. I. du Pont de Nemours & Co.

The Secretary stated that the committee had held two meetings at the Engineers' Club in Philadelphia; that a Tentative Code for Nitro and Amido compounds and covering the general subjects of Sanitation and Safety had been drafted; that it was under consideration and that another meeting would be held in the near future to give it further study before reporting to the Institute.

Mr. J. R. M. Klotz reported progress on behalf of the special committee of the Institute appointed to consider the subject of Nomenclature, Spelling and Pronunciation of Chemical Products as applied to the dyestuffs industry. Mr. Klotz stated that the commit-

tee felt that the matter was of such importance that it should be taken up with the American Chemical Society and that probably in the near future the committee would be able to report its conclusions.

The Secretary reported that the special committee which had been appointed to confer with the Laundry Owners' National Association on the question of the use of dyes in washable garments had not yet met, but that it would probably meet as soon as its Chairman returned home. That committee consists of Dr. J. M. Matthews, Chairman, and Mr. E. V. Patterson.

Mr. R. T. Baldwin, on behalf of the Legislative Committee, stated that at a recent meeting of the Board of Governors it was the unanimous opinion of all those present that the Institute ought to have a representative at Paris to study the actual conditions there in connection with matters arising from the deliberations and action of the Reparations Commission, particularly under Annex 6 of the Treaty of Peace. The Governors had mentioned Mr. Joseph H. Choate, Jr., as being the man well fitted to represent the Institute at Paris. Acting upon the conclusion reached by the Board of Governors, the Legislative Committee had secured the services of Mr. Choate, and Mr. Baldwin announced that Mr. Choate had sailed for Paris on Wednesday, October 20.

The following recommendation from the Executive Committee was then read:

> That for the purpose of meeting expenses already incurred, also obligations incurred, and for the purpose of continuing the activities of the Institute to the end of the year, together with such publicity work as the Legislative Committee may consider necessary, an assessment of $70,000 upon the members of the Institute is hereby recommended by the Executive Committee.

During the discussion which followed, the President and Treasurer and members of the Executive and Legislative Committees explained fully and in detail what had been done with the funds which had already been raised.

In this connection the President read the bills of Mr. Joseph H. Choate, Jr., of the law firm of Evarts, Choate, Sherman & Leon, and of Judge J. Harry Covington of the Washington law firm of Covington & Burling, each of whom, in his bill, had given an outline sketch of some of his activities.

The opinion was expressed by the members present that the expenses, including the bills of counsel, were reasonable in amount and were properly incurred.

The President stated that Mr. Choate's bill had been paid just prior to his departure for Paris, but that Judge Covington's bill had not yet been paid.

The recommendation of the Executive Committee as above quoted was adopted unanimously.

Thereupon another recommendation of the Executive Committee was introduced. It is as follows:

> That the Executive Committee recommends to the Institute that this amount of $70,000 be prorated among the members of the Institute in the following proportions:
>
> | | |
> |---|---|
> | Althouse Chemical Co. | .4 |
> | American Aniline Products Inc. | 2. |
> | Atlantic Dyestuff Co. | 2. |
> | Atlas Color Works | .2 |
> | The Barrett Company | 3. |
> | Butterworth-Judson Corp. | 2.5 |
> | John Campbell & Co. | 2.5 |
> | Calco Chemical Co. | 6. |
> | Certified Chemical Corp. | .2 |
> | Chemical Co. of America | .75 |
> | Commonwealth Chemical Co. | .3 |
> | Consolidated Color & Chemical Co. | 4. |

Dicks, David Co. Inc.	1.5
Dow Chemical Co.	3.
E. I. du Pont de Nemours & Co.	17.
Dye Products & Chemical Co.	.3
Essex Aniline	.75
Grasselli Chemical Co.	7.
Gaskill Chemical Corp.	.2
Heller & Merz Co.	4.
Holland Aniline Co.	.4
Holliday-Kemp Co.	.5
Hydrocarbon Chemical Co.	.2
Merrimac Chemical Co.	1.
Monsanto Chemical Co.	2.5
National Aniline & Chemical Co.	25.
Naugatuck Chemical Co.	1.
Newport Chemical Works, Inc.	8.
Organic Salt & Acid Co.	.1
Peerless Color Co.	.5
The Sherwin-Williams Co.	4.
Transatlantic Chemical Co.	.1
Tower Mfg. Co.	1.
U. S. Color & Chemical Co.	.4

The President explained that the Executive Committee had endeavored to arrive at an equitable allocation, but that the result of its work was, of course, subject to such changes as the members themselves might care to make. He recited a suggestion which had been made by one of the members of the Executive Committee, that for the purpose of arriving at a basis for working out percentages which would be adjusted automatically, some method ought to be adopted which would produce such a result instead of forcing the designation of an arbitrary proportion in allocating assessments among members. That member had further stated that in his opinion a fair method would be to base the assessment upon the output by pounds

of intermediates and dyes manufactured for sale, and he referred to the fact that members were already filing with the U. S. Tariff Commission their total production. For purposes of assessments, however, the suggestion he had made of the total number of pounds produced for sale would be a fairer basis than the total output as reported to the U. S. Tariff Commission. He also thought that if such a plan were agreeable to the Institute it might be possible to have the information required placed in the hands of, say, a chartered accountant, who could work out the percentages and would hold inviolable the information filed with him.

It was felt that the Industry had not yet reached the point where it would be possible to develop that idea practically, although several members expressed the hope and even the belief that before long members would be willing to file figures showing exact production.

He then read the list of proportions and after these had been commented upon, the President asked for an expression of opinion from each member present as to whether or not, in his judgment, the proportion assigned to his firm or corporation was fair, and whether or not each would accept his proportion.

The roll of those in attendance was then called and the following stated that they were satisfied with the ratios affecting them:

Althouse Chemical Co.
Calco Chemical Co.
Chemical Co. of America
Consolidated Color & Chemical Co.
Dicks, David Co. Inc.
Dye Products & Chemical Co.
E. I. du Pont de Nemours & Co.
Grasselli Chemical Co.
The Heller & Merz Co.
Merrimac Chemical Co.

National Aniline & Chemical Co.
Newport Chemical Works, Inc.
Transatlantic Chemical Corp.

The representatives of the Atlas Color Works Inc., the Butterworth-Judson Corp. and the Hydrocarbon Chemical Products Co. stated that while individually the assessment seemed fair, yet that each felt that before committing himself he ought to confer with his officers. This each said he would do as soon as possible and report.

It was decided that a copy of the list of proportions, as set forth above, be sent to all members who were not present at the meeting, with a statement of those who had already agreed to them and that final disposition of them would be made at the next meeting of the Institute.

It was felt by the members present that the Institute should go on record with regard to the expenditures and commitments of the authorized committees, and therefore, upon motion duly made and seconded, it was unanimously

RESOLVED

That the actions of the Legislative Committee and the Executive Committee in respect of employing counsel and the various other items of expenditures in connection with the work of securing the needed legislation, be approved.

There then ensued an interesting discussion on business conditions, in which several members participated, each expressing the result of his observations and his opinion as to the outlook.

There being no further business the meeting adjourned to Friday, November 19, 1920, the session to be held at the office of the Institute, immediately after Luncheon on that date.

WM. R. CORWINE,
Secretary.

PLAINTIFF'S EXHIBIT No. 568.

Minutes of a meeting of the Executive Committee of the American Dyes Institute held at the office of the Institute Friday, October 29, 1920, at 3:20 P. M.

This was a session called after the adjournment of the Institute.

In attendance:

Mr. R. T. Baldwin,
Mr. H. G. Stephenson (representing Mr. M. R. Poucher, who was unable to attend),
Dr. S. Iserman,
Mr. August Merz,
Mr. J. R. M. Klotz,
Dr. R. N. Wallach,
together with Mr. H. E. Danner, Treasurer,
and Mr. W. R. Corwine, Secretary.

There were some minor matters discussed, which were presented by the Secretary from his files.

One was a suggestion from a committee of various trade organizations that the Institute join in a campaign for an amendment to the National Income Tax Bill by a proposed Joint Resolution. It was decided that it would be inadvisable to attempt to take up the matter at present.

The Secretary presented a duplicate bill of the Chemical Foundation, Inc., similar to the one which had been submitted some time before. It was ordered referred to the Legislative Committee which had that matter in charge. On behalf of that committee it was stated that efforts had been made to see Mr. Francis P. Garvan, President of the Chemical Foundation, Inc., for the purpose of getting a settlement of some items which the Institute had thought were not properly

chargeable to it, but that it had been impossible to see him.

The Committee agreed to confer with Mr. Garvan at the earliest possible moment.

There was also submitted a resolution on the subject of Commercial Bribery which had been submitted by the American Society of Sales Executives. That subject was referred to the Trade Committee of the American Dyes Institute.

There being no further business the meeting adjourned.

Respectfully submitted,

WM. R. CORWINE,
Secretary.

WRC/VS

PLAINTIFF'S EXHIBIT No. 569.

March 10, 1919.

MEMO OF ARGUMENTS PRESENTED BY J. H. CHOATE, JR., AT HEARING ON MARCH 10, 1919.

War Trade Board,
Washington, D. C.

Gentlemen:

As Counsel for the Chemical Foundation, Inc., I desire to urge that licenses be not granted to import dyestuffs, pharmaceuticals and other chemicals produced in the occupied district of Germany. The Chemical Foundation, Inc., is the corporation organized by the industries, at the instance of the Alien Property Custodian, to purchase the German chemical patents and hold them in trust for the benefit of American industry in Germany. This company is completely controlled by a board of voting trustees, named by the Alien Property Custodian, and the Custodian himself, Mr. Garvan, is its President. It represents therefore

a somewhat impartial view. The reasons which I wish to urge are as follows:

Our new American dyestuff industry is at a crucial period in its development. The indispensable vat dyes which were the basis of Germany's dye supremacy are not yet being produced here, but are on the point of production. These dyes are so necessary that any company which can supply them can compel the consumer to purchase also its other goods. If they become available from foreign sources before the American production is on the market, the capital invested here will be lost and the American industry will receive a body blow.

The occupied territory contains, at Ludwigs Haven, the largest of all the German dye works. Other factories are probably included. All the German houses are now comprised in a single, all-powerful kartel, with a real capital of half a billion dollars, organized avowedly to fight for foreign trade. For four years these factories have been abnormally prosperous. Our information is that they have accumulated great stocks of their most important products. For example, a report published by the *New York Tribune*, from an English source, states that the great house of Leopold Cassalla Company, of Frankfort, has on hand 100,000 pounds of double strength hydron blue. This is one of the most important vat dyes and one which the largest American producer has spent vast sums in duplicating and is now beginning to market. If licenses should be issued to import these goods into the United States, the effect on our industry would be disastrous. It will be remembered that the German dye kartels have always been absolutely unscruplous in their methods of commercial warfare, and have never hesitated to sell at a loss if by doing so they could destroy the industry of a competing country. Their need to dispose of these accumulations and

their desire to re-capture their foreign trade, will be so great that they will undoubtedly, unless prevented, practice their former methods more ruthlessly than ever.

The occupied territory is still German. Its factories are owned by Germans, and their property therein will presumably not be confiscated. Financial benefits from such trade will therefore flow into German pockets. Recognizing to the full the immense importance of restoring activity to the industries of the occupied district, we feel that this can be accomplished without permitting the export of accumulations of goods manufactured during the war. The sale of such accumulations would provide money, but would not furnish the population with work, which we understand to be the essential.

The purchase of the German patents, will enable the Chemical Foundation, Inc., when fully organized, to protect the industry to some extent against imports of the more important known German products. Our information is, however, that during the war they have developed many valuable new products, not covered by the patents. These new products may be of sufficient importance to form a serious obstacle to our new dye industry. We, therefore, submit that licenses covering such products should be refused or granted only to the most limited extent.

The textile industries, we are informed, are entirely in sympathy with our position in this matter. They need the best dyes obtainable, but they need still more (and this they fully recognize) to be freed from the former German domination. The British textile industry is in an identical position with ours, yet the British Government has not hesitated to adopt a licensing plan by which all foreign dyes are excluded except when licensed. It is submitted that the question of imports from the occupied territory is totally distinct from

that of imports from neutral and allied countries, and that the War Trade Board could properly refuse in the one case licenses which it would feel constrained to grant in the other.

For the above reasons, we ask that even if the inter-allied counsel should permit export of dyes or pharmaceuticals from the occupied territory, the War Trade Board should refuse corresponding licenses for import into this country.

PLAINTIFF'S EXHIBIT No. 570.

ALIEN PROPERTY CUSTODIAN
SIXTEENTH & P STS., N. W.,
Washington, D. C.

March 11, 1919.

Mr. Lawrence Bennett, Sec.,
War Trade Board,
Washington, D. C.

Dear Mr. Bennett:

Attached you will please find copy of a statement prepared by Mr. Choate, General Counsel for the Chemical Foundation, Inc., to be transmitted to the Inter-Allied Council in Europe. This memorandum was prepared by Mr. Choate, following the suggestion at the conference yesterday.

I am also sending you a copy in proof form of the results of the investigation by the Alien Property Custodian of the chemical industry in this country. Should you desire additional copies, please advise me.

Very truly yours,

W. F. KEOHAN,
For the Alien Property Custodian.

WFK-GM-jh

PLAINTIFF'S EXHIBIT No. 571.

Form WTB 229

WAR TRADE BOARD

INTER-OFFICE MEMORANDUM

Date March 26, 1919.

To Mr. Gay, Mr. Bennett, Mr. Perret, Mr. deLaittre.
Bureau and Division .....
Subject .....

Following is an extract from a preliminary draft of the Board minutes of March 25, 1919, the same being paragraph (5) thereof:

"Mr. Perret read to the Board cablegram No. 7746 dated March 19, 1919, from Mr. Wigglesworth at Paris, and addressed to the Bureau of Foreign and Domestic Commerce, in connection with the importation of dyestuffs from 'enemy' territory. Thereupon, on motion duly made and seconded, the Board

"AUTHORIZED and directed the Secretary to suggest to the Department of Commerce that, for the time being, the Chemical Foundation, Incorporated, should be consulted by the Board as an advisory body in considering the species of dyes that might be imported from 'enemy' territory, and that said Chemical Foundation, Incorporated, should be requested to prepare a report on the species of dyes that might be so imported, as against the day when Allied control over the importation of German dyes would be established."

(Sgd.) D. M. M.,
Assistant to Secretary.

From.
Bureau .....

PLAINTIFF'S EXHIBIT No. 572.

PARAPHRASE OF A CABLEGRAM.

From the American Ambassador at Paris, France.
Dated March 19, 1919, at 9 p. m.
Received 10:26 p. m.
No. 7746.

Referred for Attention to
Mr. Bennett.

The following is for the Bureau of Foreign and Domestic Commerce: Quote. The British, French and Italian Governments are each determined to promote their dyestuff industry and have provided protection. However, they are about to buy certain dyes from Germany which are urgently needed and not *domestic* produced. While it is not advisable to act hastily, it can be agreed by Dyes Institute and consumers that importations from Germany are needed, it is no doubt possible to buy dyes from occupied territory but the method and policy to pursue should be jointly agreed upon. Conclusions should be cabled to the Commercial Attache of the Embassy. Wigglesworth. End quote.

SHARP.

PLAINTIFF'S EXHIBIT No. 573.

From files in office of Dr. Young, Department of State.

TELEGRAM RECEIVED.

From: Paris
Dated March 31, 1919.
Recd. 11:20 PM.

Secretary of State,
Washington, D. C.
Routine *7931*. March 31, 1 pm.
For Bennett, War Trade Board. #1270. Fol-

lowing is text of cable sent March 27th by Baruch to Secretary of State for Peek, War Industries Board. Please take up the following with the Chemical Foundation and advise their attitude. Garvin, Alien Property Custodian can put you in touch with their representatives.

One. Concerning proposal to include dyes among commodities accepted from Germany in exchange for food, it is proposed that Chemical Foundation be sole agent for receiving and distributing accepted dyes that War Trade Board license Chemical Foundation only and that Foundation completely control German dye supplies until ratification of Peace Treaty.

Two. Germany to furnish list and tentative prices of dyes available. Chemical Foundation to select from these lists supplies for United States in such quantities as may be just compromise between textile leather, paper, and other manufacturers and dye makers and the public interest and for which satisfactory sales and other guarantees may be obtained for the protection of Foundation. Foundation to establish machinery for acceptance, sales, and distribution under cognizance and responsibility of Foundation. Acceptance and primary sales to be taken at cost and profit on secondary distribution to be fairly limited.

Three. Price to Germany for dyes bought to be the same as price paid by England and France.

Four. Plan is temporary only intended to promote food movement during transition period until peace settlement. Approved by American economic advisors and McCormick who is wiring the War Trade Board.

Five. Wire at once whether Foundation will undertake this service. Urgently recommend you to do so. *Anybody* free to consult producers and consumers of dyestuffs but do not delay pending such con-

sultation. MacFowell. Signed Baruch Ammission "McFadden."

SHARP.

LWR

PLAINTIFF'S EXHIBIT No. 574.

Note: Same as Plaintiff's Exhibit No. 573 and not reprinted here. See Record, Exhibits, Volume II, Page 1358.)

PLAINTIFF'S EXHIBIT No. 575.

Bureau Foreign Domestic Commerce

April 1, 1919.

Mr. T. P. Miller, Secretary,
National Aniline and Chemical Co.,
21 Bowling Slip,
New York, N. Y.

As member of Executive Committee you may be called upon at very early date to name varieties which may be imported with least prejudice to industry here bearing in mind necessity of liberality on grounds of necessary exchange whether we comply or not. Conference welcomed at Washington any time.

B. S. CUTLER.

PLAINTIFF'S EXHIBIT No. 576.

Bureau Foreign Domestic Commerce

April 1, 1919.

Mr. Morris R. Poucher,
E. I. du Pont de Nemours Company,
Wilmington, Delaware.

As member of Executive Committee you may be

called upon at very early date to name varieties which may be imported with least prejudice to industry here bearing in mind necessity of liberality on grounds of necessary exchange whether we comply or not. Conference welcomed at Washington any time.

B. S. CUTLER.

PLAINTIFF'S EXHIBIT No. 577.

April 3, 1919.

Dear Sir:

As a first step in the selection of an advisory committee to the Secretary of Commerce for the purpose of ascertaining what foreign-made dyes may be imported into the United States without prejudice to national and commercial policies already agreed upon, I hereby appoint you a member of a committee of two (acting with Mr. Joseph H. Choate) to submit to me the names of a committee representing the following organizations and interests:

Chemical Foundation, Inc.,
American Dyes Institute,
American Chemical Society,
National Association of Finishers of Cotton Fabrics,
Silk Association of America,
American Assoc. of Woolen and Worsted Manufacturers.

My purpose is to make a choice of individuals who will instinctively entertain a comprehensive view of the problem rather than advocates of particular interests, even though they may stand for those interests in commercial association. Be good enough to have

these names before me within the next thirty-six hours if possible.

Very truly yours,
WILLIAM C. REDFIELD,
Secretary.

Dr. William T. Miller,
c/o American Dyes Institute,
320 Broadway,
New York, N. Y.

bsc-m-pwz

PLAINTIFF'S EXHIBIT No. 578.

April 3, 1919.

Dear Sir:

As a first step in the selection of an advisory committee to the Secretary of Commerce for the purpose of ascertaining what foreign-made dyes may be imported into the United States without prejudice to national and commercial policies already agreed upon, I hereby appoint you a member of a committee of two (acting with Dr. William T. Miller) to submit to me the names of a committee representing the following organizations and interests:

Chemical Foundation, Inc.
American Dyes Institute,
American Chemical Society,
National Association of Finishers of Cotton Fabrics,
Silk Association of America,
American Assoc. of Woolen and Worsted Manufacturers.

My purpose is to make a choice of individuals who will instinctively entertain a comprehensive view of

the problem rather than advocates of particular interests, even though they may stand for those interests in commercial association. Be good enough to have these names before me within the next thirty-six hours if possible.

Very truly yours,
WILLIAM C. REDFIELD,
Secretary.

Mr. Joseph H. Choate,
110 West 42nd Street,
New York, N. Y.
bsc-m-pws

PLAINTIFF'S EXHIBIT No. 579.

ALIEN PROPERTY CUSTODIAN
Sixteenth and P Streets NW.
Washington, D. C.

New York Office
110 West Forty-second Street
New York City, N. Y.

Bureau of Investigation
Francis P. Garvan
Director

April 5, 1919.

Hon. B. S. Cutler,
Chief Bureau of Foreign & Domestic Commerce,
Department of Commerce,
Washington, D. C.

Dear Mr. Cutler:

In accordance with your request Mr. W. T. Miller and I sent you yesterday a telegram in the following terms:

> "In accordance with your request yesterday we beg to suggest the following gentlemen as representatives of the Dye Consuming Industry Mis-

ter Henry B. Thompson President National Cotton Finishers Association Three hundred twenty Broadway Mister Arthur S. Draper President American Cotton Manufacturers Association Charlotte North Carolina also Chairman of the Council of the National and the American Cotton Manufacturers Associations Mister Frank D. Cheney South Manchester Connecticut of the Silk Manufacturers Association Mister Franklin W. Hobbs President Woolen Association Lawrence Massachusetts stop As representatives of Chemical Industries Mister M R Poucher Wilmington Delaware of the Du Pont Company Mister W H Watkins Buffalo New York National Aniline and Chemical Company Mister August Merz of Heller and Merz Newark New Jersey stop These three Gentlemen were nominated by American Dyes Institute at its meeting today also Doctor Charles H. Herty past president American Chemical Society as representative of last named Society stop We suggest naming four representatives of producers and four representatives of consumers instead of three each because all the gentlemen named seem to be of the greatest value on such a committee and because if we limit suggestions for representatives of producers to three we must leave out either one of the largest producers or all the smaller producers or the representative of the American Chemical Society

W. T. MILLER and JOSEPH H. CHOATE, JR."

I am confident that on consideration you will find the gentlemen named are distinctly such as would entertain a comprehensive view of the problem, and that in general they are men whose public spirit would easily overcome their special interest.

Yours very truly,

(Sgd.) J. H. CHOATE, JR.

JHC/SL

PLAINTIFF'S EXHIBIT No. 580.

April 7, 1919.

My dear Mr Merz:

At the suggestion of an informal committee of two, composed of Dr. W. T. Miller, of the executive committee of the American Dyes Institute, and Joseph H. Choate, Jr., attorney for the Chemical Foundation, Inc., your name has been submitted to me as one of seven forming an advisory committee in the selection by this Department of dyestuffs which may properly be admitted to this country from Germany without serious prejudice to our home industry or to the element of national defense involved.

I need not discuss further the plans under consideration except to say that it is the wish of the Allied High Commission at Paris to accept as many and as much German commodities in exchange for foodstuffs as we may properly dispose of in this market. Your acceptance of appointment will not commit you in the least to compliance with any policy of admission or exclusion which does not meet with your best judgment as a public spirited citizen.

At this writing we are led to believe that a list of dyestuffs containing quantities, prices, and possibly terms of delivery will be submitted to our combined judgment every thirty days.

Very truly yours,

Secretary.

Mr. August Merz,
Heller and Merz,
Newark, New Jersey.

bsc-pws

PLAINTIFF'S EXHIBIT No. 581.

DEPARTMENT OF COMMERCE
Bureau of Foreign and Domestic Commerce
Washington
(Copy)

April 8, 1919.

Mr. Francis P. Garvan,
Alien Property Custodian,
Washington, D. C.

My dear Mr. Garvan:

Although you have been currently informed by Mr. Keoghan of the several conferences that have taken place in my office and at the War Trade Board between officials of the Chemical Foundation, the American Dyes Institute and ourselves, nevertheless it is well to put on record the decisions which were thus reached so that they may have your express consent, or correction, if you desire to make any.

Up to this date, and basing our ideas entirely on cabled recommendations from Mr. Baruch and Mr. Wigglesworth, it was the opinion of the Foundation, as expressed informally by Mr. Choate, that the Foundation was not able to purchase and market any imported dyes on its own responsibility and that further, any selection of German dyes necessary to the plan of European relief might better be done by the three elements in unison; that is, the Foundation, the American Dyes Institute, and the consumers—with the Foundation taking a necessary lead on account of its legal rights and its sympathy with a development of the home industry. Consequently, at the suggestion of Mr. Choate and with the compliance of Mr. Keoghan, a composite committee was suggested by Mr. Choate and Dr. W. T. Miller for appointment by the Secre-

tary of Commerce in case you should approve this means of advising the Secretary of Commerce what varieties and quantities could be accepted from Germany with least prejudice to the home industry.

The Department of Commerce accepted in this way the position of conciliator between the several groups mentioned simply because the entire matter had been turned over to it by the War Trade Board who *has the licensing power*. It was agreed that any consignment by the Allied High Commission or by the Food Administration abroad to the Secretary of Commerce (as a usual matter of form) would be immediately reconsigned to the Chemical Foundation for distribution according to its own idea. As the result of a conference between Messrs. Choate, Keoghan, Miller, Tucker and Bright in my office, a nomination committee consisting of Messrs. Choate and Miller proposed the following advisory committee for the selection of said dyestuffs. It will undoubtedly be the opinion of the Secretary of Commerce, if this committee is appointed, that Mr. Choate, the attorney for the Foundation, should act as Chairman since the several legal complexities sure to be met must have recognition at the outset.

Joseph H. Choate, Jr., New York (Attorney for Chemical Foundation, Inc.)

Henry B. Thompson, New York (President National Cotton Finishers' Association)

Arthur S. Draper, Charlotte, N. C. (Pres. American Cotton Mfgrs. Assoc. and Chairman of the Council of the National and American Cotton Mfgrs. Assoc.)

Frank D. Cheney, South Manchester, Conn. (Silk Manufacturers' Association)

Franklin W. Hobbs, Lawrence, Mass. (President Woolen Association)

Morris R. Poucher, Wilmington, Del. (The Du Pont Company and American Dyes Institute)
W. H. Watkins, Buffalo, N. Y. (National Aniline & Chemical Co. and American Dyes Institute)
August Merz, Newark, N. J. (Heller and Merz and American Dyes Institute)
Dr. Charles H. Herty, New York (past President American Chemical Society).

If it now develops, as the result of finding Mr. MacDowell's cablegram of March 27 (No. 1354) that the exchange can be simplified by selection from the Chemical Foundation alone and by direct consignment to the Foundation, this Department will be very glad to relinquish any part in the transaction. What we seek is nothing more than ready decision and direct authority. From a mechanical standpoint, *it will probably be found indispensable to require the War Trade Board to issue a blanket license in favor of the Chemical Foundation* so that the latter may make distribution in accordance with its primary rights in the matter.

Very truly yours,

Chief of Bureau.

bsc-pws-jh

PLAINTIFF'S EXHIBIT No. 582.

ALIEN PROPERTY CUSTODIAN
SIXTEENTH AND P STREETS NW.
WASHINGTON, D. C.

April 9, 1919.

Burwell S. Cutler, Esquire,
Chief, Bureau of Foreign and Domestic Commerce,
Department of Commerce,
Washington, D. C.

My dear Mr. Cutler:

I beg to acknowledge receipt of your letter of April 8, and I thank you for the same. It manifests the same spirit of helpfulness and cooperation which you have given this Department and the Chemical Foundation throughout this entire matter, and I beg to express the gratitude of the Foundation to you for your persistent consideration.

Your statement of our negotiations agrees with my recollection, and I felt that we could work out matters satisfactorily to all concerned. However, the withholding from me of the cablegram of March 27 has alarmed me, and I was afraid that we had contributed some confusion to our representatives abroad. I therefore took advantage of your kind expression that if I felt the exchange could now be simplified by selections from the Chemical Foundation alone, and by direct consignment to the Foundation, your Department would be willing to relinquish our agreements.

Accordingly, I sent the enclosed cablegram to Mr. Bradley Palmer and Mr. Baruch, and followed it

up with another cablegram this morning, of which I also enclose a copy. I trust you will feel that I have truthfully expressed the position of the Department of Commerce.

In my haste to get the telegram off last night I did not mention what I desire to say to you now, and that is that we propose to adopt as the Advisory Board of the Foundation the same Committee agreed upon between Mr. Miller, Mr. Choate, and yourself with, I hope, the addition of yourself as Chairman of that Committee. This would please, not only me as Alien Property Custodian, but also the Chemical Foundation and, I am sure, all industries concerned.

If, however, you feel that your duties will not allow you to accept the position, I wish you would feel free to appoint as many additional members from your Department on this Committee as you feel would adequately represent you. We are anxious to work throughout under the guidance and suggestion of your Department, and my cablegrams have been intended only to cut the knot of confusion and give to Paris a definite answer upon which they might go ahead.

Trusting this course meets with your approval, and again assuring you of our gratitude for your kindness and consideration, I remain,

Very truly yours,

(Sgd.) FRANCIS P. GARVAN.

FPG:MSH
Enc., 2.

PLAINTIFF'S EXHIBIT No. 583.

April 9, 1919.

The Honorable,
The Secretary of State.

Sir:

I will greatly appreciate it if you will forward by cable through your usual channels the following message to Bradley W. Palmer, representing the Alien Property Custodian at the Paris Peace Conference:

> Feeling here very strong and rising against any importation of dyes at all Over 500 leading textile firms have now signed protest to President, copy of which was sent you. Stop.
>
> Doubtful if any dyes will be used even if imported. Stop. You may face new Tea Party. Stop.
>
> People here cannot understand why at one stroke you relieve and equip failing German industry, dump on our new industry and ask departure of our consumers from their loyalty to American growing industry. Stop. They regard dyes as index of all past menaces and future perils. Stop.
>
> However, they sense your difficulties, and Foundation is willing to help, though opposed as always to the principle. Stop.
>
> Foundation must, however, be protected by broadest discretion as to time and manner of disposition. Stop. Must be in a position to give consideration to feelings of consumers and the people. Stop.

War Trade Board here opposed to your plan. Stop.

Say they have not heard from McCormick in reference to cablegram No. 1354, March 27. Stop.

Please see that they are instructed to grant Foundation full, complete and exclusive license covering not only dyes but all chemical imports until final end of war. Stop.

Under no other circumstances will Foundation touch the matter. Stop.

All industry and consumers back of this position. Stop.

Any other plan will meet the full front of our opposition. Stop.

We have asked Department of Commerce to assume chairmanship of Advisory Committee to Foundation. Every one here in unison, except War Trade Board. Stop.

Foundation must have right of reexport. Stop. See cable of April 8 to Baruch and Bradley Palmer.

We agree absolutely word for word with cable of March 27 No. 1354 Baruch-McDowell to Peek. Stop. Cable me if this is accepted. Stop.

We are ready. Stop.

Committee in Paris Wigglesworth, Yerkes, Patterson, President Textile Alliance. Stop.

License from War Trade Board must include power over all imports from neutral countries. Otherwise Foundation unable to accomplish anything in the way of protection.

(Signed) GARVAN.

Very truly yours,

FPG:MSH

PLAINTIFF'S EXHIBIT No. 584.

ALIEN PROPERTY CUSTODIAN
SIXTEENTH AND P STREETS NW.
WASHINGTON, D. C.

Washington April 10 1919

Dr Charles H Herty
Hotel Statler
Buffalo New York

Many thanks for your extremely complimentary message Garvan and I think it would be advantageous if Association would pass resolution indorsing license plan expressing opinion that no tariff alone can protect new industry and recommending that until license plan can be definitely established by legislation the admission and disposition of imports be placed under control of Chemical Foundation

J H CHOATE JR.

Trust No.....Report No.....
From Custodian's Office Division
Approved by M. S. H.

DUPLICATE

PLAINTIFF'S EXHIBIT No. 585.

April 8, 1919.

Cable number 1354 dated March 27, 1919, withheld from Alien Property Custodian and Chemical Foundation until accidental discovery yesterday after-

noon. Reasons for such withholding probably best found in contents of said cable. Alien Property Custodian and Chemical Foundation agree word for word with cable of March 27, 1919, Baruch McDowell to Peek, and will accept all its conditions, appointing proper advisory boards of producers and consumers of all descriptions. Hereby appoints as Chemical Foundation's advisory board here, Henry B. Thompson, President National Cotton Finishers Association; Arthur S. Draper, President American Cotton Manufacturers Association; Franklin W. Hobbs, President Woolen Association; Maurice R. Poucher, Dupont Company; W. H. Watkins, National Aniline Works; August Merz, and Dr. Charles H. Herty, President American Chemical Society. Chemical Foundation hereby appoints as Paris Committee to work with you Wigglesworth, Yerkes and A. N. Patterson, President Textile Alliance, who is either in London or Paris. Foundation and Advisory Committee here await advice from Wigglesworth, Yerkes and Patterson. Department of Commerce also knew nothing of cable of March 27. Now definitely state that they agree to the selection of Chemical Foundation alone, and direct consignment to the Foundation in exact accordance with original cablegram. Only necessary now for McCormick to order War Trade Board to issue exclusive general complete import license to Foundation. Again we repeat Foundation and Alien Property Custodian agree with all terms and conditions as defined in cablegram dated March 27, number 1354, and upon being granted full import license by War Trade Board are equipped to immediately take charge of situation represented by Wigglesworth, Yerkes and

Patterson in Paris, and by Foundation with necessary Advisory Committees here to guard interests of industries and of the public.

(Signed) GARVAN.

PLAINTIFF'S EXHIBIT No. 586.

Copy GMH

Sent to 24, 6, Mr. L. Bennett, Transportation, Mr. C. C. Richards, Exports, Mr. De-Laittre W. T. I., Bureau of Enemy Trade, 5, Mr. Perret. Imports.

War Trade Board

April 11, 1919.

AMEMBASSY

PARIS (FRANCE)

Forfadden No. 1040 for McCormick from Woolley.

IMPORTANT.

Referring to Embassy's 7931 March 31, 1 p. m., transmitting the text of a cablegram sent on March 27 by Beruch to Peck, suggesting that the War Trade Board grant to the Chemical Foundation entire control over the import of dyes and dye stuffs, including complete control over distribution and prices, it is stated in Baruch's cablegram that the plan has been approved by the American economic advisers and also by you and that you are writing the War Trade Board. Accordingly, we have deferred action in the matter while awaiting the receipt of a statement of your views. We were advised yesterday that, in the mean-

time, the Alien Property Custodian and the Chemical Foundation have approved this plan, although the War Trade Board were not consulted, and the representatives of the Alien Property Custodian and the Chemical Foundation are now pressing us for an immediate adoption of the plan. For the reasons hereinbelow set forth, we will not approve this plan until we have received from you an expression of your wishes in the matter. The following is a summary of the present position of the War Trade Board and the reasons therefor:

(1) The proposal to vest the entire control of the importation of dyes and dyestuffs in the Chemical Foundation involves a complete delegation by the War Trade Board of the authority delegated to them by the President. It is clear to us that the President did not authorize the War Trade Board so to delegate their control over imports to any other private or public body, and, up to the present time, we have never made any such complete delegation.

(2) Furthermore, this would be a delegation of our authority for the avowed purpose of protecting American industries, a matter which, as you know, we have always held to be the exclusive prerogative of Congress and wholly outside the jurisdiction of the War Trade Board.

(3) We have not received any advices from you which indicates that there is a present occasion for the adoption of such a plan. It is our understanding that, under the Brussels Agreement and the subsequent interpretations and addends, the United States

is not obligated to purchase the commodities which Germany is permitted under the Brussels Agreement to export, but that this is simply a permission granted to Germany. Furthermore, it is stated in Embassy's 7896, March 29, 4 p. m., your 1248, that dyestuffs are included in the prohibited list provided for in paragraph four of the minutes of the Brussels agreement, so that Germany is now absolutely prohibited from exporting dyes to the United States, unless the United States should urgently need certain specified dyes of German manufacture, and should therefore desire to take advantage of the exception contained in paragraph A of paragraph four of the communication set forth in your 1248. In other words, the temporary protection desired by the dye industry is already fully provided for by the inclusion of dyestuffs in the list of prohibited exports already communicated to the German Armistice Commission, and therefore the War Trade Board must and will refuse all imports of German dyestuffs unless and until compliance is had with the provisions of paragraph four of your 1248. Thus the only question really before us is whether there are any special dyestuffs which are so urgently needed in the United States that we should permit their importation under the exception contained in the above mentioned paragraph four, and it is our view that, until it is represented to us by the Advisory Committee hereinafter mentioned that merchants in the United States desire to take advantage of this exception, the War Trade Board are not called upon to take any action, but on the contrary should maintain an absolute prohibition against the importation of German dyes. This point of view is further confirmed by ca-

blegram from Baruch to Woolley and Cutler. Mission's 1500, April 7, noon, which is a reply to Department's 7938, April 4, 4 p. m. to the Mission for Baruch from Woolley and Cutler.

(4) Referring to the question whether there are any particular German dyestuffs which are urgently needed in the United States, Department's 7842, March 26, 3 p. m. contains as adequate a statement of the present situation as we have been thus far able to obtain.

(5) On March 28, the Board recommended to the Secretary of Commerce the organization of a Committee consisting of two representatives of the textile industry, two representatives of the dye manufacturing industry and one representative of a governmental department, which committee will report to the Department of Commerce and the War Trade Board upon the needs for dyes and dyestuffs in the United States, with special reference to the importation of such commodities from Germany. In our opinion, this is the most expedient and proper method to deal with the present situation. As already stated, the only question before us is whether there are any dyes so urgently needed by the United States that we should permit their importation from Germany as an exception to the list of prohibited German exports; and the Committee above described will be fully competent to advise us in this regard.

We solicit an early expression of your views.

Prepared for W. T. B.
By Lawrence Bennett.

In billing refer to
W. T. B. No. 4111.

PLAINTIFF'S EXHIBIT No. 587.

WAR TRADE BOARD
Inter-Office Memorandum

Date, April 12, 1919.

To Mr. Wooley, Mr. Gay, Mr. Warrington, Mr. Bennett, Mr. DeLaittre, Mr. Hamilton.

Bureau and Division

Subject

Following is an extract from a preliminary draft of the Board minutes of April 10, 1919, the same being paragraph (10) thereof:

"Mr. Joseph Choate, representing the Chemical Foundation, Inc., and Mr. W. F. Keohan, of the Office of the Alien Property Custodian, appeared before the Board to discuss the control of the importation of dyes and dyestuffs into the United States. Mr. Choate stated, in this connection, that a cablegram had been despatched to the President, signed by almost all of the important consumers of dyes in the United States, advocating a licensing plan similar to that established by the British, for the purpose of excluding from the United States all dyes except those whose importation would not be injurious to the dye industry in this country. Mr. Choate then cited the correspondence which had passed between Mr. Baruch and the Department of Commerce covering the plan to vest the entire control of the importation of dyes in the Chemical Foundation, Inc., and he urged that the War Trade Board, in accordance with said plan, issue to the Chemical Foundation, Inc., an exclusive license which should permit the importation by the Chemical Foundation alone of all dyes and dyestuffs into the United States. In this connection, Mr. Choate stated to the Board that he had been informed that 3,000 tons of indigo, double strength, was about to be offered for sale by Germany under the terms of the Brussels

Agreement, at a price far below that at which American single strength indigo was now being sold, and that it was his understanding that, unless proper machinery were immediately set up to regulate the importation of dyes, the indigo first above mentioned would be imported into the United States to the grievous injury of the American dye industry. Mr. Choate stated that he had been informed by the Board that it was not their policy to restrict the importation of any commodity into the United States for the sole purpose of protecting American industries, and he urged that the issuance of a license such as that now requested would not be inconsistent with this policy. Mr. Gay then stated that the issuance of such a license would be a delegation of the powers of the War Trade Board and would be equivalent to doing indirectly what the policy of the Board forbade them doing directly. After a prolonged discussion, on motion duly made and seconded, the Board

> AUTHORIZED and requested Mr. Warrington to study all the correspondence relating to the matter at hand and to discuss the same with Mr. Cutler of the Department of Commerce and with Mr. Choate, and to report to the Board, at their meeting on Friday, April 11, 1919, the result of such conference."

(Sgd.) D. M. M.,
Assistant Secretary.

PLAINTIFF'S EXHIBIT No. 588.

PARAPHRASE OF A CABLEGRAM

From the American Ambassador at Paris, France.
Dated April 15, 1919, at 5 p. m.
Received 3:25 p. m.
Urgent, No. 7.

The following is for the War Trade Board: Quote.

No. 1374. *This is personal for Mr. Wooley.* There

have been representations made to Mr. McCormick that the textile manufacturers of the United States desire that for the present importations of dyestuffs from Germany should be admitted, controlled and possibly restricted altogether. *It is the desire of Mr. McCormick that you make inquiry among the manufacturers of textiles of the North and South* with a view to ascertaining whether or not the information received by him is a real expression relative to their desires so far as the importation of dyestuffs is concerned. It is suggested that this can be promptly obtained through the secretaries of the New England Cotton Manufacturers Associations as well as the Southern Cotton Manufacturers Associations and *it is thought important that expressions should be obtained from these organizations as regards their views.* McFadden. End Quote.

WALLACE.

PLAINTIFF'S EXHIBIT No. 589.

April 26, 1919.

Alien Property Custodian
AMMISSION,
Paris.

For Bradley W. Palmer from F P Garvan

QUOTE: Thanks for your cablegram dated April twenty-four number one seven sixty six stop Be assured we all appreciate what you have all tried to do and hesitate to add our trouble to your many embarrassments stop

For our position and the history of the situation we ask you to read again cables number one three five four of March twenty-seven Baruch McDowell to Peck dash number one four eight eight Ammission to Peck dated April five dash here note Wigglesworth appoint-

ed at your suggestion dash Garvan to Palmer April eight dash Garvan to Palmer April nine dash Baruch to Garvan April twelve dash Mitchell Palmer to McCormick April eleven dash Garvan to Palmer April eleven dash Letter from Department of Commerce dated April eight as follows "Although you have been currently informed by Mr. Keohan of the several conferences that have taken place in my office and at the War Trade Board between officials of the Chemical Foundation, the American Dyes Institute and ourselves nevertheless it is well to put on record the decisions which were thus reached so that they may have your express consent or correction if you desire to make any Paragraph Up to this date and basing our ideas entirely on cabled recommendations from Mr. Baruch and Mr. Wigglesworth it was the opinion of the Foundation as expressed informally by Mr. Choate that the Foundation was not able to purchase and market any imported dyes on its own responsibility and that further any selection of Germany dyes necessary to the plan of European relief might better be done by the three elements in unison that is the Foundation the American Dyes Institute and the consumers with the Foundation taking a necessary lead on account of its legal rights and its sympathy with a development of the home industry Period Consequently at the suggestion of Mr. Choate and with the compliance of Mr. Keoghan a compositive committee was suggested by Mr. Choate and Dr. W. T. Miller for appointment by the Secretary of Commerce in case you should approve this means of advising the Secretary of Commerce what varieties and quantities could be accepted from Germany with least prejudice to the home industry

Paragraph

The Department of Commerce accepted in this way the position of conciliator between the several groups mentioned simply because *the entire matter*

had been turned over to it by the War Trade Board who has the licensing power Period It was agreed that any consignment by the Allied High Commission or by the Food Administration abroad to the Secretary of Commerce parenthesis as a usual matter of form parenthesis would be immediately reconsigned to the Chemical Foundation for distribution according to its own idea Period As a result of a conference between Messrs Choate Keoghan Miller Tucker and Bright in my office a nomination committee consisting of Messrs Choate and Miller proposed the following advisory committee for the selection of said dyestuffs Period It will undoubtedly be the opinion of the Secretary of Commerce if this committee is appointed that Mr Choate the attorney for the Foundation should act as Chairman since the several legal complexities sure to be met must have recognition at the outset Period Joseph T Choate Junior of New York Attorney for Chemical Foundation Henry B Thompson of New York President National Cotton Finishers Association Arthur S Draper of Charlotte North Carolina President American Cotton Manufacturers Association and Chairman of the Council of the National and American Cotton Manufacturers Association Frank D Cheney of South Manchester Connecticut of Silk Manufacturers Association Franklin W Hobbs of Lawrence Massachusetts President Woolen Association Morris R Poucher of Wilmington Delaware of the DuPont Company and American Dyes Institute W H Watkins of Buffalo New York of National Aniline and Chemical Company and American Dyes Institute August Merz of Newark New Jersey of Heller and Merz and American Dyes Institute Dr. Charles H Herty of New York past president American Chemical Society Paragraph If it now develops as the result of finding Mr MacDowells cablegram of March twenty seven number one three five four that the exchange can be simplified

by selection from the Chemical Foundation alone and by direct consignment to the Foundation this Department will be very glad to relinquish any part in the transaction Period What we seek is nothing more than ready decision and direct authority Period *From a mechanical standpoint it will probably be found indispensable to require the War Trade Board to issue a blanket license in favor of the Chemical Foundation so that the latter may make distribution in accordance with its primary rights in the matter* Period. Signed B S Cutler Chief of Bureau Unquote See cable number one three nine three McCormick to Wooley April eighteen dash This very important Dash Garvan to Palmer April nineteen Stop This history shows our continual willingness to co-operate Stop All suggestions came from your side and we constantly tried to fit in with them Stop You now suggest our only remedy for period between signing of treaty and permanent legislation lies in Congress which will not meet until after signing Stop Period from now until indefinite time in future apparently now in personal hands of McCormick and industry comma consumers and Foundation now so understand it Stop Admission even for a short time of dyes from Germany and neutrals without careful discrimination as to kinds amount and prices with a view to avoid injuring our industry would destroy it Stop *So would distribution of even carefully selected dyes if allowed to be carried on by any but responsible disinterested body* Stop To permit individual import and distribution would reestablish Metz dash Kuttroff et cetera and discourage for good all help from consumers Stop Suggestion that we are acting in selfish interest hardly worthy of our history of the standing of our Trustees Stop Sole reasons for our activity are Quote One Independence and freedom of the textile leather paper paint and varnish pharmaceutical three billion dollar essential American business Two The ne-

cessity of our national defense Three Fairness to the three hundred million dollars invested in the chemical business by loyal Americans in the hour of our need Four The destruction and prevention of the German system of propaganda and espionage in our land Five The Advancement of pure science and research Six The advancement of medical science Unquote Please see McCormick and go over matter once more Stop No fight lost until won Stop *Could not Mitchell Palmer be used as mediator with War Trade Board Stop What about new proclamation from President in view of fact War Trade Board going out of business June thirty*

Acting

FPG
MSH-jh

Note: There is annexed to this exhibit a paper entitled "Memo of Arguments presented by J. H. Choate, Jr., at hearing on March 10, 1919," which is same as Plaintiff's Exhibit No. 569, and not reprinted here. (See Record, Exhibits, Vol. II, page 1353.)

PLAINTIFF'S EXHIBIT No. 590.

Note: Same as Plaintiff's Exhibit No. 589 and not reprinted here. (See Record, Exhibits, Volume II, page 1380.)

PLAINTIFF'S EXHIBIT No. 591.

War Trade Board
Inter-Office Memorandum

Date May 5, 1919.

To Mr. Bennett, Mr. DeLaittre, Mr Gay.
Bureau and Division .....
Subject .....

Following is an extract from a revised draft of the Board minutes of May 2, 1919, the same being paragraph (16) thereof:

"Mr. Gay reported a conference with the Representatives of the dye industry in the United States, in the course of which it was stated by such Representatives that, apart from the necessity of protecting the American dye industry by limiting in kind and quantity the importation of dyes of German origin, there existed, in the opinion of such Representatives, the necessity of protecting the dye industry by rendering it impossible for the former German dye organization in the United States to regain their former domination of the dye industry, by preventing their exclusive participation in the distribution of dyes of German origin hereafter imported into the United States. After a discussion, on motion duly made and seconded, the Board

"Requested Mr. DeLaittre to include, in the report which he is now preparing for submission to the Board in connection with the establishment of an organization within the War Trade Board to regulate the importation of German dyes, also a plan for the distribution of German dyes under such conditions as will prevent the exclusive participation in the importation of German dyes by the former German dye organization in the United States and the consequent return of their domination of the American dye industry."

(Sgd.) D. W. M.,
Assistant Secretary.

PLAINTIFF'S EXHIBIT No. 592.

Paris
Dated May, 1919.
Recd. 5:10 p. m.

Secretary of State,
Washington, D. C.
176, first, War Trade Board number 1434.

For Wolley from McCormick. "I have just seen Garvan's cable to Bradley Palmer number 1752. I think it important that you should see the same if you have not already done so. Garvan apparently believes that the authority upon this matter still rests with me notwithstanding that in my cable to you number 1393 of April 18th I gave full authority to the War Trade Board in Washington. I do not wish to shirk any responsibility in this matter but I believe that as you have all the information in your hands you are more competent to pass upon the questions involved and I will back your decision in the matter and if necessary assume full responsibility with you for the action taken because I have confidence in your doing the right thing. I think that it should be made plain to Mr. Garvan and other government officials that Mr. Baruch and his advisors are in accord with the position so far taken by us in the matter. In any event the information received over here is so conflicting and confusing that it has been impossible for us to make a satisfactory determination of the question here."

WALLACE.

OX

PLAINTIFF'S EXHIBIT No. 593.

War Trade Board

Extract From Proceedings of May 8, 1919.

(14) Mr. Gay referred to the dye situation and he reported to the Board that a plan had been formulated for the control of the importation of dyes produced or manufactured in Germany and for the equitable allocation among persons in the United States of all such dyes as should be permitted to be imported. Mr. Gay then referred to the action of the Board as set forth in paragraph (1) of the minutes of the meeting of March 28th, 1919, whereby the Board had recommended to the Department of Commerce the organization of an Advisory Committee which should report to the Department of Commerce and the War Trade Board upon the need in the United States for dyes and dyestuffs and Mr. Gay stated that it now seemed advisable that the Advisory Committee so referred to be appointed by the War Trade Board, and he submitted to the Board as nominees for membership on said Committee the gentlemen whose names are mentioned in the resolution hereinbelow set forth, stating that said persons had already been tentatively selected by the Department of Commerce as prospective members of the Committee which said Department had been requested by the War Trade Board to appoint. Thereupon, on motion duly made and seconded, the following preamble and resolutions were adopted:

Whereas the Associated Governments have determined that Germany shall be permitted to export dyes and dyestuffs to the countries of said Governments, subject, however, to such municipal

dye organization in the United States to regain their previous domination of the dye industry, by preventing their exclusive participation in the importation of those dyes of German origin which should be permitted to be imported into the United States. Mr. Gay thereupon recommended that arrangements be made with the Chemical Foundation, Inc. similar to the arrangements heretofore made with various trade organizations throughout the country pursuant to the action of the Board set forth in paragraph (1) of the minutes of the meeting of December 1, 1917, whereunder said trade organization acted as consignees under appropriate arrangement with the Board of certain commodities imported into the United States and effected an equitable distribution of such commodities and insured their application to essential and proper uses. Thereupon, on motion duly made and seconded, the Board adopted the following preamble and resolutions:

> WHEREAS it has become necessary for the War Trade Board to formulate and administer a plan for the control of the importation into the United States of dyes and dyestuffs manufactured or produced in Germany; and
>
> WHEREAS, as an integral feature of said plan, it is considered advisable that all such dyes and dyestuffs permitted to be imported into the United States be consigned to a consignee designated by the War Trade Board to be released only upon the delivery to the War Trade Board of guarantees in form satisfactory to the War Trade Board; and
>
> WHEREAS the War Trade Board are of the opinion that the Chemical Foundation, Incorporated, which has been organized under the auspices of the Alien Property Custodian, is willing

and fully competent to act as such consignee and to assist the War Trade Board in securing the guarantees hereinabove referred to;

RESOLVED that the War Trade Board do hereby designate the Chemical Foundation, Inc. as the consignee of all dyes and dyestuffs of German origin hereafter permitted under licenses of the War Trade Board to be imported into the United States;

FURTHER RESOLVED that the War Trade Board shall forthwith enter into such arrangements with the Chemical Foundation, Inc. as shall be necessary to carry out the plan hereinabove recited, and to realize the results to be thereby accomplished;

FURTHER RESOLVED that the Chemical Foundation, Inc. is not granted, under the foregoing resolution, any authority whatsoever to grant or refuse import licenses and that its sole function shall be to act as consignee of such dyes and dyestuffs of German origin as shall by the War Trade Board be permitted, from time to time, to be imported; to release said dyes and dyestuffs under instructions from the War Trade Board and prior to such release to obtain such guarantees or other agreements as the War Trade Board may require; to keep full and complete records of all imports of dyes and dyestuffs of German origin; and to be informed, for the benefit of the Board, as to the use and disposition of said commodities and as to the observance by importers of any guarantees or agreements given in connection therewith—all under the direction, supervision and control of the War Trade Board;

FURTHER RESOLVED that the Vice-Chairman and Mr. Gay are hereby authorized, on behalf of

the War Trade Board, to take all such steps as shall be necessary to carry out the foregoing resolutions and the plan therein provided for, including the settlement of the details of the arrangements contemplated to be made with the Chemical Foundation, Inc. and the determination of the form of the guarantees, agreements and other instruments which are to be used in the administration of said plan.

(17) The Vice-Chairman stated to the Board that it was advisable to appoint a Special Counsel to advise and assist the Board in connection with the matters referred to in the foregoing paragraph of these minutes, and he recommended to the Board that Mr. P. Chauncey Anderson be so appointed. Thereupon, on motion duly made and seconded, the Board adopted the following resolution:

RESOLVED that the War Trade Board do hereby appoint Mr. P. Chauncey Anderson as Special Counsel for the War Trade Board to advise and assist the Board in the formulation and administration of the plan for the control of the distribution of dyes and dyestuffs of German origin permitted to be imported into the United States.

I HEREBY CERTIFY that the foregoing is a true and correct extract from the records of the War Trade Board, showing proceedings duly had and action duly taken at a meeting thereof duly called and held on the eighth day of May, 1919.

(Sgd.) LAWRENCE BENNETT,
Secretary of War Trade Board.

May 12, 1919.

PLAINTIFF'S EXHIBIT No. 594.

2, 4-7, LB. T, X, Mr. DeLaittre,
W. T. I., B. E. T., Mr. Perret, I.

MBT

WAR TRADE BOARD.

May 9, 1919.

AMEMBASSY
PARIS (FRANCE)
FORFADDEN No. 1130.

(1) For McCormick from Woolley. Since the receipt of Embassy's 176, May 1, your 1434, in which you stated that you placed entirely in our hands *the solution of the dye situation*, we have been carefully studying the question. We are particularly desirous of keeping you fully posted with regard to the progress made, because we note that cablegrams are being sent on this subject by other Departments, which, if called to your attention, might give you the impression that the situation is more confused here than is actually the case. The policy adopted by the War Trade Board for its guidance has been communicated to you clearly and in full in Department's 8183, April 30, 6 p. m., our 1097.

(2) We are now proceeding to bring about a practical application of this policy to the dye situation, and, to this end, the *War Trade Board on May* 8 *has appointed a well balanced and representative committee of* 8 *persons prominent in the industries which produce and utilize dyestuffs.* This Committee will act in an advisory capacity toward the War Trade Board. The following is the personnel of the Committee: Henry B. Thompson, New Bedford, Mass., President National Cotton Finishers' Association; Arthur S. Draper, Charlotte, North Carolina, President Cotton Manufacturers' Association; Frank D.

Cheney, South Manchester, Connecticut, Silk Manufacturers' Association; Franklin W. Hobbs, Boston, Mass., President American Woolen Association; Morris B. Poucher, Wilmington, Delaware, Sales Manager E. I. du Pont de Nemours & Company; August Merz, Newark, New Jersey, American Dyes Institute; W. H. Watkins, Buffalo, New York, National Aniline & Chemical Company; Dr. C. H. Herty, New York City, New York, Ex-president American Chemical Society, Editor, Journal of Industrial & Engineering Chemistry.

(3) The personnel of the foregoing Committee was selected tentatively last month by the Department of Commerce pursuant to the action of the Board referred to in paragraph (5) of Department's 8003, April 11, 6 p. m., our 1040, but the appointment of the Committee was never actually made by the Department of Commerce and it has subsequently become our view that it is advisable that said Committee be a Committee appointed by the War Trade Board.

(4) We also propose to obtain the services of a competent trade adviser on dyes who will be a technical expert and have a full knowledge of the dye industry.

(5) The above mentioned advisory Committee and trade adviser together will be fully competent to make valuable recommendations to the War Trade Board with respect to the character and amounts of dyes produced or manufactured in Germany which should be permitted to be imported into the United States in accordance with the general policy of the Board.

(6) It is stated by the representative of the dye industry that one of the primary problems in this country is the need of allocating such dyes of German origin as are permitted to be imported in such a manner that the former German dye organization in

the United States will not again become the exclusive distributor of these products and thus regain its domination of the dye industry of this country. The Chemical Foundation offers us a well organized instrument for such allocation and the Board on May 8th designated the Chemical Foundation as the consignee and distributing agency of all dyes of German origin imported into the United States. The Chemical Foundation will operate in much the same way as the other distributing agencies heretofore utilized by the War Trade Board such as the Textile Alliance, the Rubber Association of America, etc. It will operate under instructions from and regulations prescribed by the War Trade Board and *will have no authority in the granting or refusing of import licenses* and no power on its own initiative to select the persons entitled to import.

(7) We are now formulating the administrative procedure incident to the administration of the plan hereinabove mentioned.

(8) Referring further Embassy's 59, April 19, 3 p. m., your 1398, has any definite action been taken toward dispensing with the necessity of earmarking the proceeds of goods exported from Germany to the Associated Countries?

Prepared for W. T. B. In billing refer to
By Lawrence Bennett. W. T. B. No. 4364.

PLAINTIFF'S EXHIBIT No. 595.

May 13, 1919.

War Trade Board

AMEMBASSY

PARIS (FRANCE)

FORFADDEN No. 1136

Referring Department's 8268, May 9, 6 p. m. our

1130. The plan for controlling imports of German dyes was approved at a conference yesterday by Palmer and Garvan.

POLK,
Acting.

Prepared for WTB
By Lawrence Bennett

In billing refer to
WTS No. 4379

PLAINTIFF'S EXHIBIT No. 596.

War Trade Board
Washington

In reply refer to

June 26th, 1919.

War Trade Board,
Washington, D. C.

Subject: Applications for Import License from a Certain Import Agent, May 14th and June 12th, for the Importation of German Dyestuffs from Badische Aniline & Soda Fabrik, Ludwigshafen (Territory occupied by Allies) for Indanthene Dyes, 115 tons, value $370,000, and Anthracene Blues, 148,000 pounds, value $211,120.

Gentlemen:

At a meeting of the Advisory Committee on Dyes to the War Trade Board, held at the Chemist's Club, New York City, June 26th, 1919, there were present Chairman H. B. Thompson, and Messrs. Hobbs, Cheney, Poucher, Watkins, Merz and Herty, together with Dr. Penniman, the Trade Adviser of the War Trade Board, it was unanimously agreed that the following communication be sent to your Board.

The above two mentioned applications having

been presented to this Committee by Dr. Penniman brings us face to face with the problems relative to all importations of German Dyestuffs. It seems to us that our policy is clearly outlined in the following paragraphs from the Peace Treaty, printed in the *Congressional Record* of June 9th:

Page 859, Article 236:

"Germany further agrees to the direct application of her economic resources to reparation as specified in Annexes III, IV, V and VI, relating respectively to merchant shipping, to physical restoration and to coal and derivatives of coal, and to dyestuffs and other chemical products; provided always that the value of the property transferred and any services rendered by her under these Annexes, assessed in the manner therein prescribed, shall be credited to her towards liquidation of her obligations under the above articles."

Page 864, Annex VI, Paragraphs 1, 2, 3, 4 & 5:

1.

"Germany accords to the Reparation Commission an option to require as part of reparation the delivery by Germany of such quantities and kinds of dyestuffs and chemical drugs as the Commission may designate, not exceeding 50% of the total stock of each and every kind of dyestuff and chemical drug in Germany or under German control at the date of the coming into force of the present treaty.

This option shall be exercised within sixty days of the receipt by the Commission of such particulars as to stock as may be considered necessary by the Commission.

2.

Germany further accords to the Reparation Commission an option to require delivery during the period from the date of the coming into force of the present Treaty until the 1st January, 1920,

and during each period of six months thereafter until the 1st January, 1925, of any kind of specified kind of dyestuff and chemical drug up to an amount not exceeding 25% of the German production of such dyestuffs and chemical drugs during the previous six months period. If in any case the production during such previous six months was, in the opinion of the Commission, less than normal, the amount required may be 25% of the normal production.

Such option shall be exercised within four weeks after the receipt of such particulars as to production and in such form as may be considered necessary by the Commission: these particulars shall be furnished by the German Government immediately after the expiration of each six-months period.

3.

For dyestuffs and chemical drugs delivered under paragraph 1, the price shall be fixed by the Commission having regard to pre-war net export prices and to subsequent increases in cost.

For dyestuffs and chemical drugs delivered under paragraph 2, the price shall be fixed by the Commission having regard to pre-war net export prices and subsequent variations of cost or the lowest net selling price of similar dyestuffs and chemical drugs to any other purchaser.

4.

All details, including mode and times of exercising the options, and making delivery, and all other questions arising under this arrangement shall be determined by the Reparation Commission; the German Government will furnish to the Commission all necessary information and other assistance which it may require.

5.

The above expression 'dyestuffs and chemical drugs' includes all synthetic dyes and drugs and intermediate or other products used in connection with dyeing, so far as they are manufactured for sale. The present arrangement shall also apply to cinchona bark and salts of quinine."

These citations show that unless some action is taken there would be two channels of importation. One through the Reparation Commission for our share of the 50% of the stock and another channel through the 50% controlled by Germany; in the distribution of which the Allies have no control except by their own preventitive legislation. Obviously, therefore, according to this arrangement Germany has it in her power to dispose of all or any part of her share of the stock and also her share of future production over a period of five years in any country in the world either directly or through neutral countries.

In the case of the United States the object of Germany will be to supply this market from her own share rather than from the share supplied by the Reparation Commission. Presumably the German share will be distributed through the various agents in this country of the German manufacturers exactly as appears in these applications. The result of this would be that the Reparation Commission will be placed in competition with the German manufacturers and their American agents. Or, in other words, the German Government and its agents would be in competition with the American Government and its agents.

Therefore, it is evident that in these provisions of the Peace Treaty it was intended that the Allied Government should take their supplies of German dyestuffs from the Reparation Commission and through no other channels.

As there is an immediate necessity for securing for the American consumer certain colors not manufactured in this country, notably the Vat Colors, we would recommend that the Reparation Commission take immediate steps to establish some agency in this country for the direct and immediate importation and distribution of these dyes to the American consumer. We would emphasize this point, that trade conditions make immediate action necessary as the stocks of vat colors in this country have reached the point of exhaustion and the plants of the American manufacturers, which are being constructed in this country for the manufacture of such dyes, are not yet ready to offer their product in substantial amounts.

In order that the country may see that the needs of the consumer have been fully considered by the War Trade Board, we would advise that a statement regarding the importation of these necessary vat dyes and other special colors be prepared for the public press in order that the consuming trade may have immediate information as to when and how they will be able to secure these supplies.

Respectfully submitted,

(Sgd.) CHAS. H. HERTY,
Secretary.

PLAINTIFF'S EXHIBIT No. 597.

WAR TRADE BOARD
Washington

IN REPLY REFER TO

June 26th, 1919.

WAR TRADE BOARD,
Washington, D. C.

Subject: The Question of Imports of Dyestuffs from Germany through the Reparation Commission.

Gentlemen:

At a meeting of the Advisory Committee on Dyes to the War Trade Board, held at the Chemist's Club, New York City, June 26th, 1919, there were present Chairman H. B. Thompson, and Messrs. Hobbs, Cheney, Poucher, Watkins, Merz, and Herty, together with Dr. Penniman the Trade Adviser to the War Trade Board, it was unanimously agreed that the following communication be sent to your Board.

We have been requested verbally through your Acting Chairman, Mr. Clarence M. Wooley, to suggest a comprehensive plan of action regarding the importation of dyestuffs, which plan he desires to present to your board.

The situation, as developed according to our letter to you of this date concerning certain applications for the importation of German Dyes, makes it entirely clear to us that any German dyes brought into this country must come exclusively through the channels of the Reparation Commission.

There are three interests that must be considered. Taking them in order:

1—The Dye and Chemical Industry as a National or key industry.
2—The consumers of dyes and chemicals.
3—The manufacturers of dyes and chemicals.

Obviously a disinterested body acting for all of the above interests should act as agent for the Reparation Commission. The Chemical Foundation, Inc., which was organized for the purpose of promoting, developing, and safeguarding our chemical industries, and which has no financial interest in such development is clearly the logical and suitable agent. This is particularly true because a large proportion of the dyes which are likely to be imported are covered by patents owned by the Foundation and can therefore be sold only with its consent.

The plan we propose is as follows:

1—No licenses be issued for the importation of German dyestuffs except those dyestuffs coming through the channel of the Reparation Commission.

2—The Chemical Foundation, Inc., should act as the consignee for all such shipments. Any licensing body would naturally and properly co-operate with the Chemical Foundation as follows:

(a) To secure America's share of such dyes.

(b) To secure an equitable distribution of these German dyes among all consumers in the United States.

3—In Mr. Woolley's letter of June 6th to Chairman H. B. Thompson appears this statement in paragraph 1:

"All German dyes permitted to be imported will be required to be consigned to the Chemical Foundation, Inc., and they will be released to the importers by the Chemical Foundation, Inc."

We would like to ask if the word "Importers" means the agents of the German dyestuff cartel in the United States, or anyone who might import. The probabilities are that the consuming interests of this country whose interests we are seeking to serve will come together along the line of the consumers in Great Britain, who established a central importing agency. Some such body could be organized here composed of members of the cotton, woolen, silk, leather, paper and other dyestuff consuming associations.

We would propose therefore that import licenses be granted only to bona fide consumers and that importations be released to these consumers or to a central importing agency when formed, by the Chemical Foundation, Inc.

4—Quoting from paragraph 2, of the above mentioned letter:

"The American purchaser will make payment to the German exporter in accordance with ordinary commercial usage. Our plan does not contemplate any control over the method in which payments are made except that, so long as the Brussels Agreement continues in effect, the purchase price must be segregated in such a way that it will be made available for the purchase of foodstuffs for Germany. Under the present regulations this segregation is effected by requiring the importer in the United States to pay the purchase price to the American Relief Administration which thereupon arranges for the payment of an equivalent amount to the German exporter in German marks."

The plan we propose would in no way interfere with the carrying out of the payment to the American Relief Administration. In one case the payment would be made to the American Relief Administration by the importers. According to our plan payments would be made in precisely the same manner by the consumers, or it could, no doubt, be arranged that one payment be made of the entire amount by the Chemical Foundation, Inc., acting in behalf of the consumers.

5—Quoting from paragraph three of the same letter:

"The settlement of prices for German dyes will be arrranged according to the usual commercial practice and it is not intended that the imports control of the War Trade Board will be utilized in any way to control the prices which importers will pay for German dyes."

It is our understanding that the question of prices to be paid for these German dyestuffs is a

matter between the consumers and the Reparation Commission. Quoting from Paragraph 3, Annex 6, of the Peace Treaty as printed in the Congressional Record of June 9th:

> "For dyestuffs and chemical drugs delivered under paragraph two the price shall be fixed by the Commission having regard to the pre-war net export prices and subsequent variations of cost or the lowest net selling price of similar dyestuffs and chemical drugs to any other purchase."

The question of price will, therefore, have to be settled by America's representative on the Reparation Commission.

Respectfully submitted,

(Sgd.) CHAS. H. HERTY,
Secretary.

PLAINTIFF'S EXHIBIT No. 598.

DEPARTMENT OF STATE
WAR TRADE BOARD SECTION

The Present Practice of the War Trade Board Section with respect to the Handling of Applications for the Importation of Dyestuffs.

1. *The War Trade Board Policy.* The present policy with respect to the importation of dyestuffs is that no dyestuffs of German origin shall be permitted to be imported unless the Advisory Committee on Dyes shall recommend such importation upon the ground that the particular dyestuffs included in their recommendation are urgently needed in the United States. Dyestuffs of other than German origin shall be permitted to be imported freely in accordance with the declared policy that the imports control shall not be used to protect domestic industries.

2. *Administration of the Policy.* In administering the foregoing policy, the licensing officials of the Bureau of Imports take the position that, because of the great intricacy of the dye manufacturing processes and the consequent difficulty of ascertaining the origin of dyestuffs sought to be imported from European countries and the well-known attempts of importers to bring German dyes into the United States through other countries, they will not license the importation of any dyestuffs from European countries, including Switzerland, Holland, Scandinavia, the United Kingdom, France, Italy and Belgium unless they have been satisfied by affirmative documentary proof that the dyestuffs were not produced or manufactured in Germany. They do not regard the Consular Certificate (Form 235) provided for in General Consular Instructions 593 as sufficient proof of non-German origin. The requirements of proof under the present administration are more exacting than during the period of hostilities. In other words, the administration of the above mentioned policy is being handled more cautiously than was necessary heretofore, but, at the same time, licenses are granted where the weight of evidence indicates that the dyes are of non-German origin.

(Sgd.) LAWRENCE BENNETT.
(Sgd.) W. N. D. PENNIMAN.

PLAINTIFF'S EXHIBIT No. 599.

Copy as sent by Department of State.

September 29, 1919.

A. M. Patterson, Esquire,
President, Textile Alliance, Inc.,
New York City.

Dear Sir:

Negotiations are now being carried on in Paris

by the representatives of the Allied and Associated Governments for the purpose of securing the early delivery of German dyes, at prices similar to those described in Annex VI of Part VIII of the Treaty of Peace with Germany. For your convenience, there is enclosed herewith a copy of War Trade Board Ruling 819, in which the provisions of Annex VI are set forth in full.

The War Trade Board Section of the Department of State has determined to permit the importation of vat dyes from Germany in quantities sufficient to supply the requirements of the consumers of the United States for the six months' period, October 1, 1919, to April 1, 1920; and it may be desirable that manufacturers in the United States be enabled to avail themselves of the benefits of such plan as may result from the current negotiations in securing the above mentioned quantities of vat dyes. To bring this about, it would be necessary to designate a central agency to act as an intermediary between the consumers of dyes in the United States and the Allied authorities from, or through whom, the dyes are to be secured. The Department of State would be prepared to designate the Textile Alliance, Inc., as such agency to perform the following services under the terms and conditions hereinbelow set forth:

(1) The War Trade Board Section of the Department of State will issue allocation certificates to consumers in the United States, stating that said consumers are entitled to secure the importation from Germany of the vat dyes specified in such certificates.

(2) The War Trade Board Section of the Department of State will advise consumers of such arrangements as may result from the current negotiations and will also inform them that

the Textile Alliance, Inc., has been designated to act in the capacity described in this letter.

(3) The Textile Alliance, Inc., will accept from consumers holding the above mentioned allocation certificates orders for vat dyes in amounts not exceeding the amounts specified in such certificates.

(4) The prices to be paid for the dyes so ordered will be the prices agreed upon in Paris and communicated to the Textile Alliance, Inc., by its representatives in Paris hereinafter mentioned in paragraph (5). The terms and method of payment for all dyes ordered through the Textile Alliance, Inc., will be prescribed by the Textile Alliance, Inc., to accord with such arrangements as may result from the pending negotiations and they will be subject to the approval of the War Trade Board Section, and subject also to the conditions hereinbelow in paragraph (6) contained.

(5) The Textile Alliance, Inc., will send a representative to Paris. Said representative will receive by cablegram from the Textile Alliance, Inc., complete information as to the dyes which have been ordered through the Alliance as described above, and he will place these orders with or through the Allied authorities and will attend to all the details connected with the acquisition of, and payment for, the dyes and their shipment to the Textile Alliance, Inc., for distribution to the consumers who have ordered them. In all these matters, the representative of the Alliance will receive the co-operation and advice of Dr. Charles H. Herty, who is now in Paris as a Representative of the War Trade Board Section.

(6) The Textile Alliance, Inc., will be entitled to charge a commission for the services rendered

by it, which commission shall be sufficient to defray all expenses incurred in carrying out the plan and performing the acts described in this letter; but it is to be understood that the Alliance will not retain any profits arising out of this transaction and that any overplus remaining out of commissions collected, after the payment of all expenses, will be distributed *pro rata* among the consumers by whom such commission shall have been paid.

The Department desires to be advised at an early date whether the Textile Alliance, Inc., would be willing to perform the services described in this letter, provided the situation would seem to make such an arrangement desirable.

Very truly yours,
(Sgd.) PHILLIPS,
Acting.

Copy to F. A. Fleisch,
Vice President, Textile Alliance, Inc.,
45 East 17th Street,
New York City.

PLAINTIFF'S EXHIBIT No. 600.

From files in office of Dr. Young, State Department.
In reply refer to—
WTB—

October 9, 1919.

The Textile Alliance, Incorporated,
45 East 17th Street,
New York City.

Gentlemen:

Referring to the Department's letter of September 29th setting forth the proposal that the Textile Alliance, Incorporated, should be designated as the

agency to affect the importation and distribution of German dyes proposed to be secured as the result of negotiations then being conducted in Paris, and referring also to your letter of October 2nd, in which you informed the Department that the Textile Alliance, Incorporated, was prepared to act in the capacity aforesaid (subject to an exception which has since been withdrawn), the plan outlined in the first mentioned letter has been finally completed in all substantial respects; and, accordingly, the Textile Alliance, Incorporated, is hereby designated as the agency to effect the importation and distribution of German dyes under the conditions set forth in the above mentioned letters of September 29th, 1919.

The supervision of the operation of the above mentioned plan will be conducted for the Department by the War Trade Board Section, and you are requested to consult with the Chief of said section with respect to all further arrangements necessary for the consummation of the purchase, importation and distribution of the dyes which will be secured under said plan.

I am, Gentlemen,
Your obedient servant,
For the Secretary of State,
WILLIAM PHILLIPS,
Assistant Secretary.

PLAINTIFF'S EXHIBIT No. 601.

From office of Dr. Young—State Department.
October 11, 1919.

The Chemical Foundation, Incorporated,
81 Fulton Street,
New York City, New York.

Gentlemen:

There is enclosed herewith a copy of Ruling No.

825, issued by the War Trade Section of this department, on August 15, 1919. The dyes, dyestuffs and related chemicals which are enumerated in Paragraph 4 thereof are excluded from the scope of the general or blanket import license described in the Ruling, and accordingly, such commodities may be imported into the United States only upon issuance of such individual import licenses. When the commodities enumerated in the said paragraph 4 are of German origin the issuance of such individual import licenses is made dependent upon the need in this country of the commodities so licensed.

An urgent need in this country of certain quantities of dyes of German origin having been made manifest the War Trade Section has determined to issue individual import licenses authorizing the importation of such quantities of dyes of German origin as will satisfy the requirements of consumers for a six months' period. As a result of certain recent negotiations between the representatives of the Allied and Associated Governments and of the German Government, a substantial portion of the amount of such dyes as will be needed to satisfy the six months' requirements, will be made available to consumers in this country.

The obtainment by consumers of the dyes which have thus been made available from an official source can be effected only through the establishment of an official agency in this country, and accordingly, this Department has designated the Textile Alliance, Incorporated, 45 E. 17th Street, New York City, as such sole official agency to import and distribute on behalf of such consumers as might wish to avail themselves of the opportunity of obtaining a part of their requirements from such official source, the dyes which will be secured as the result of the negotiations hereinabove referred to. Consumers who desire to import

German dyes from such official source must do so exclusively through the Textile Alliance, Incorporated. Consumers who do not wish to import dyes from such official source may do so through any other American channel of importation.

This department is informed that the Chemical Foundation, Incorporated, and the Grasselli Chemical Co., are the sole purchasers from the Alien Property Custodian, of certain German owned American patent rights relating to dyestuffs which had theretofore been seized by the Alien Property Custodian pursuant to authority derived from the Trading with the Enemy Act. This Department is likewise informed that the importation of certain dyes of German origin, which are included among those which will be licensed for importation to satisfy the six months' requirements of American consumers, may possibly constitute an infringement of certain of those patents which were purchased by the Chemical Foundation, Inc., and the Grasselli Chemical Co., from the Alien Property Custodian. Accordingly this Department requests the Chemical Foundation, Incorporated, to inform it on the following points:

1. In view of the present need of American consumers for certain dyes which are not obtainable from American sources, will the Chemical Foundation, Inc., administer the rights which may accrue to it as purchaser of the patents referred to above, in such manner as will insure that all consumers in the United States will be accorded by the Chemical Foundation, in all respects the same treatment irrespective of whether such consumers obtain their six months' requirements through the Textile Alliance, Inc., or through other private American channels of importation?

2. If the Chemical Foundation, Inc., has determined to charge a royalty for such sale or use of imported German dyes (required by consumers for a six months' period) as might otherwise constitute an infringement of the patent rights now owned by the Chemical Foundation, Inc., will these royalties be nominal or substantial, and will the rate of royalty be made uniform for, and the privilege of paying the same be extended to, all consumers irrespective of whether they obtain their supplies through the Textile Alliance, Inc., or through any other American channel of importation.

3. Will the Textile Alliance incorporated, and all other American importers of dyes of German origin be accorded, by the Chemical Foundation, Inc., uniform treatment with respect to any action with the Chemical Foundation, Inc., may take as patent owner, in relation to the sale or use of dyes licensed for importation from Germany, to satisfy the six months' requirements of consumers.

This Department, of course, recognizes in the Chemical Foundation, Incorporated, an independence to exercise such patent rights and privileges as they may have, and accordingly, this department seeks from the Chemical Foundation, Inc., no dispensation from the possible infringement of patents owned by the Chemical Foundation, Inc., either on behalf of the Textile Alliance, Incorporated, or of private importers or consumers. However, it must be clear to the Chemical Foundation, Incorporated, that the Department of State could not place itself in the position of becoming a party to any action by the Chemical Foundation, Inc., which might result in a denial of equal rights to all American citizens in the matter of the sale or use of dyes imported from Germany.

Therefore, this Department would be disposed to proceed with the plan of partial importation from official sources through the Textile Alliance, Inc., if assurances were given to the Department that both the Chemical Foundation and the Grasselli Chemical Co., will accord the same treatment and extend the same privileges to both the Textile Alliance, Inc., and to all other importers of American citizenship, as well as to all consumers irrespective of the channels of importation through which such consumers effect their importations. In the absence of such assurances, this Department would consider the advisability of recalling its designation of an official agency for obtaining on behalf of consumers such portion of German dyes as have been made available as the result of the negotiations between the representatives of the Allied and Associated Governments and the German Government.

The Department of State solicits the promptest expression of the view of the Chemical Foundation, Inc., with reference to the foregoing.

I am, Gentlemen,

Your obedient servant,

ROBERT LANSING.

PLAINTIFF'S EXHIBIT No. 602.

Officers
President
W. H. COTTINGHAM
The Sherwin-Williams Co.
Secretary-Treasurer
H. E. DANNER
Secretary
C. C. BENNETT
Counsel
ARTHUR J. EDDY
Executive Committee
L. A. AULT
FRANK HEMINGWAY
R. C. JEFFCOTT
J. MERRITT MATTHEWS
AUGUST MERZ
W. T. MILLER
M. R. POUCHER
Board of Governors
C. S. ALTHOUSE
The Althouse Chemical Co.
Reading, Pa.
B. R. ARMOUR
American Aniline Products, Inc.
New York City
L. A. AULT
The Ault & Wiborg Co.
Cincinnati, Ohio
R. P. DICKS
Dicks, David Co., Inc.
New York City
J. P. DONNELLY
Holland Aniline Co.
Holland, Mich.
FRANK HEMINGWAY
Frank Hemingway, Inc.
New York City
R. C. JEFFCOTT
Marden, Orth & Hastings Corp.
New York City
R. W. KEMP
Holliday-Kemp Co.
New York City
G. A. MARTIN
The Sherwin-Williams Co.
Cleveland, Ohio
J. M. MATTHEWS
The Grasselli Chemical Co.
Cleveland, Ohio
AUGUST MERZ
The Heller & Merz Co.
Newark, N. J.
W. T. MILLER
National Aniline & Chemical Co., Inc.
New York City
J. T. PARDEE
The Dow Chemical Co.
Midland, Mich.
E. W. PIERCE
Zobel Color Works, Inc.
New York City
M. R. POUCHER
E. I. du Pont de Nemours & Co.
Wilmington, Del.
G. S. WHALEY
John Campbell & Co.
New York City
S. W. WILDER
Merrimac Chemical Co., Inc.
Boston, Mass.

AMERICAN DYES INSTITUTE
320 Broadway
New York

The Association of dye-stuff manufacturers in t United States

March 11, 1919.

War Trade Board,
Washington, D. C.

Dear Sirs:

The Committee of the American Dyes Institu wishes to submit the following considerations in r gard to the issue of licenses to import dyes fro Switzerland.

1. Prior to the war, the Swiss dye indust admittedly consisted of little more than the assembli or finishing of German intermediates. Switzerla produced no coal, no coal tar, no crudes, and ve few of the necessary intermediates. Almost all these were imported from Germany. Unless a until this method of conducting the business w changed, Swiss dyes would necessarily be the produ of German materials. We therefore submit that considering imports of Swiss colors, the Board shou start with the presumption that the proposed impor were the product of German goods and should thr the burden of proof on the importer.

2. This burden of proof is not easily sustaine Only a very complete knowledge of all the fac coupled with expert judgment thereon, will serve reach a correct decision. The affidavit even of reputable manufacturer, is not enough. He m truthfully state that the intermediates from which h dyes were made were not manufactured in Germa when in fact, every step in their manufacture pri to the last before he purchased them, was carried o

in enemy territory. Each of the many steps in the manufacture of dyes ordinarily results in the manufacture of a chemical substance falling within the class of intermediates. The substance produced at each step is usually totally different from the last. The final substance in the chain of intermediates before a dye is produced, may be made from German materials by one factory in Switzerland which may then sell its product to another factory. The latter can then truthfully state that the intermediates purchased by him are of Swiss make, yet three quarters of the value of the resulting dyes may be the product of German labor and material. Even where the manufacturer's books have been open to examination, the evidence will be unsatisfactory unless the examination be made by one familiar with the chemical side of the manufacture. No one less informed, can determine whether the purchase of materials shown on the books are sufficient to account for the product alleged to have been produced therefrom.

The statistics of the War Trade Board Bureau of Research and Statistics, show that the measures which are said to have been taken to prevent the use of German materials in Swiss manufacture, may not have been efficient.

The following table shows the imports of Dye Bases from Germany and Austria into Switzerland, for the first four years of the war and the first six months of 1918:

Year	*Quantity in Lbs.*	*Value*
1911	5,350,000 lbs.	$ 230,000.
1912	4,642,000 "	243,000.
1913	6,232,000 "	250,000.
1914	3,465,000 "	169,000.
1915	522,000 "	91,000.

Year	*Quantity in Lbs.*	*Value*
1916	21,000,000 lbs.	$1,000,000.
1917	6,000,000 "	400,000.
6 mos. 1918	1,000,000 "	90,000.

These figures show that in 1916 the quantity of materials imported from enemy territory was so large, that it must have provided a surplus sufficient to last for many months, if not years. No figures known to us show any disposal of this quantity of materials.

The suggestion is irresistible that the Swiss dye makers must have stocked up on German materials and that if they have not used them in making dyes which were to be exported, their use must have freed a large quantity of other materials for the export trade.

A similar inference arises from the figures in regard to the import of finished dyes from Germany. These were as follows:

Year	*Quantity in Lbs.*	*Value*
1911	1,160,000 lbs.	$ 335,000.
1912	1,300,000 "	375,000.
1913	1,476,000 "	426,000.
1914	1,491,000 "	456,000.
1915	513,000 "	269,000.
1916	949,000 "	914,000.
1917	925,000 "	1,238,000.
6 mos. 1918	371,000 "	523,000.

These show an import during most of the war years entirely beyond the normal Swiss consumption, while during the years immediately preceding the war, the quantity imported was sufficient to require considerable re-export. If therefore, it be true that all the Swiss dyes exported during the last year or two are of pure Swiss origin, this state of affairs has

been made possible purely by Swiss imports from Germany. As a matter of war economy, it makes little difference whether German goods come to us direct, or are simply used to make possible exports of other goods. The result, in the way of benefit to the enemy is the same.

In addition to these reasons for scrutinizing with the greatest care all attempts at proof that imports from Switzerland are of pure Swiss origin, it is necessary to remember that the British regulations have been carefully framed so as to insure that Great Britain shall get back in form of finished dyes, all materials exported by her to Switzerland. This covers the chief supplies received by Switzerland of crudes and intermediates since the beginning of the war from non-enemy sources.

Again it appears that many of the dyes exported by Switzerland at this time require the use of large quantities of crudes and intermediates, of which no considerable supply can have been obtained from Switzerland from any other source than Germany. Examples were cited by Mr. Merz of dyes requiring Benzol and also large quantities of wood alcohol. Neither of these substances could have come from the United States. The British output is believed to have been covered by the British regulations, above referred to, and it is therefore hard to understand how they could have been made except from German materials.

All this, it is submitted, calls for most careful scrutiny of all applications for import licenses from Switzerland and suggests that no proof should be accepted except after expert examination.

We respectfully suggest that the Dye Institute may be able to give the Board valuable assistance in this regard and that it would be glad to appoint a committee to furnish necessary information and to co-operate with the proper agency of the War Trade

1417

Board in examining each application. We also venture to suggest that there should be an expert in Switzerland itself, representing the War Trade Board, who could examine on the spot, proof submitted there.

Respectfully submitted,
W. T. MILLER, *Chairman,*
AUGUST MERZ,
J. M. MATTHEWS,
M. R. POUCHER,
F. M. FARGO, JR.
Signed for the Committee,
(Sgd.) F. M. FARGO, JR.

PLAINTIFF'S EXHIBIT No. 603.

No. 1794

UNITED STATES OF AMERICA

(Cut, Coat of Arms)

DEPARTMENT OF STATE.

To all to whom these presents shall come, GREETING:

I CERTIFY That the document hereto annexed is a true copy from the files and records of this Department.

IN TESTIMONY WHEREOF I, Charles E. Hughes, Secretary of State, have hereunto caused the Seal of the Department of State to (Seal) be affixed and my name subscribed by the Chief Clerk of the said Department, at the City of Washington, this twenty-ninth day of March, 1923.

CHARLES E. HUGHES,
Secretary of State.
By (Sgd.) BEN G. DAVIS,
Chief Clerk.

(Copy MEF/So)

DEPARTMENT OF STATE
WASHINGTON

November 8, 1919.

The Honorable Philander C. Knox,
United States Senate.
In reply refer to
TA-611.626/76
My dear Senator Knox:

I acknowledge the receipt of your letter of October 31 in relation to the present control by the War Trade Board Section of the Department of State over the importation of dyes, dyestuffs, and related chemicals of German origin, and in relation also to the policies of this Department in connection therewith and to the administration of those policies by the War Trade Board Section.

Your comments and inquiries have been accorded the most careful consideration and agreeably with your request I am replying thereto at length and in detail.

The War Trade Board (by Executive Order of the President, now the War Trade Board Section of the Department of State) so far as the control of imports is concerned, derives its authority from Section II of the Trading with the Enemy Act. It had always been the opinion of the War Trade Board and it is now the opinion of this Department that the Trading with the Enemy Act was enacted purely as a war measure. Accordingly, it has always been believed that the War Trade Board should function solely as a war agency. For this reason import restrictions were imposed during the war primarily for the purpose of conserving tonnage to divert it to war usages. The necessity for such conservation having disappeared after the signing of the armistice of November 11,

1918, the War Trade Board began to remove those restrictions as rapidly as possible. Since the conclusion of the armistice there have been presented to the War Trade Board numerous requests that import restrictions be maintained or instituted for the purpose of protecting industries and stabilizing prices. Consistently with the belief expressed above, those requests were not acceded to on the theory that the enactment of such protective measures appeared to be the exclusive prerogative of the Congress and that to maintain or impose restrictions in such cases would be a clear case of supererogation on the part of the War Trade Board.

The control over the importation of dyes, dyestuffs, and related chemicals of German origin was maintained as an exception to the above stated policy because of the peculiar and special circumstances which were involved. The War Trade Board were advised that a bill had been introduced in Congress for the purpose of protecting the American dye industry because of its relation to the problem of national defense. The War Trade Board were urgently requested to maintain the control as an interim measure against the day when the introduced legislation would become a law or would fail. Accordingly, the War Trade Board agreed to make the exception because of the emergencies of the case and to maintain the control temporarily, not for the purpose of protecting the industry for its own sake but because of its relation to the problem of national defense.

In order that the control thus maintained might be properly administered the War Trade Board appointed an Advisory Committee on Dyes, on which consumers and manufacturers have equal expert representation. Inasmuch as the War Trade Board were exercising the control as an interim measure against the possibility of legislation already introduced, the

War Trade Board believed that, in formulating their policies in relation to the control, every effort should be made to conform to, and not to exceed, the control contemplated by the legislation. Accordingly, the War Trade Board limited its control to the very dyes, dyestuffs, and related chemicals which were enumerated in the Longworth bill. The War Trade Board also borrowed textually the language of that bill in adopting the policy of authorizing the importation of the controlled commodities when the same are not obtainable from United States sources or, if obtainable from those sources, when they are not obtainable on reasonable terms as to price, quality and delivery.

In the early part of September, 1919, a need of certain quantities of vat dyes of German origin having been made manifest in this country, the Dye Advisory Committee informed the War Trade Board Section that those dyes were not obtainable from United States sources, and recommended that importations of quantities sufficient to meet the requirements of consumers for a six months' period should be permitted. The Dye Advisory Committee also recommended to the War Trade Board Section that, in authorizing the importation of the aforesaid quantities of dyes, consumers should be required to import the same exclusively through a designated official agency. The purpose of this recommendation was, avowedly, to bring about the elimination, as agencies of importation, of the former American agents of German dye manufacturers. The Dye Advisory Committee as well as a large number of manufacturers stated to the War Trade Board Section that in their opinion any substantial importation through those agencies would endanger the American industry. I instructed the War Trade Board Section to accede to the recommendation of the Advisory Committee to the extent of per-

mitting importations to satisfy the six months' requirements of consumers, but to inform the Committee that the Department, howsoever much it desired to protect the American industry for reasons of national defense, could not compel consumers to effect their importations exclusively through a designated official agency; that the designation of such official agency would partake of the nature of an exclusive monopoly and that such exclusive monopoly would be repugnant in that it would be a discrimination against American citizens who were engaged in the business of importing.

Accordingly, an allocation of license privileges to import a six months' supply of vat dyes of German origin into this country was made among consumers on October 1, and consumers were advised that they themselves, or their assignees of the allocation certificates could apply to the War Trade Board Section and obtain, upon surrender of the certificates, licenses authorizing the importation of the quantities stipulated in the certificates.

In the latter part of September, the need of certain quantities of dyes of German origin, other than vat dyes, having been made manifest in this country, the Dye Advisory Committee recommended to the War Trade Board Section that importation of quantities sufficient to meet the requirements of consumers for a six months' period should be permitted. In this connection, the Dye Advisory Committee informed the War Trade Board Section that whereas, admittedly, vat dyes are not produced in this country to any appreciable extent, a substantial quantity of dyes, other than vat dyes, are manufactured in this country. Accordingly, when the War Trade Board Section, on October 8, advised consumers to file their applications for allocation certificates, the War Trade Board Sec-

tion, mindful of the provisions of Section 503 (b) of the Longworth bill, advised consumers as follows:

> "Allocations will be made only when the articles desired to be imported are unobtainable from United States sources, or, though obtainable from United States sources, are unobtainable on reasonable terms as to price, quality and delivery."

The applications which have been received will be considered by the Advisory Committee at a meeting to be held on November 10, and at that meeting an allocation of license privileges will be made among consumers. As in the case of vat dyes, and for the same reasons of policy that prevailed then, consumers, upon receipt of their allocation certificates, will be advised that they themselves or their assignees of the certificates, may apply to the War Trade Board Section and obtain, upon surrender of the certificates, licenses authorizing the importation of the quantities stipulated in the certificates.

The Dye Advisory Committee upon being informed of the policy of this Department as stated above in relation to the forthcoming allocation, informed the War Trade Board Section that many dyes made in this country will do the same work as other dyes not produced in this country, and that accordingly, allocation certificates should be denied in every case where an equivalent or substitute dye, which is produced in this country, will do the same work as the dye which is sought to be imported. On instructions from me, the Committee has been advised by the War Trade Board Section that the stated policy of this Department, in connection with the forthcoming allocation, was to permit the issuance of allocation certificates in all cases when the articles sought to be imported are unobtainable from United States sources, or, though obtainable from United States sources, are unobtain-

able on reasonable terms as to prices, quality and delivery.

I appreciate that the substitutions which the Committee recommends may be of appreciable benefit to the American industry, but I have deemed it expedient to instruct the War Trade Board Section that substitutes and equivalents, howsoever satisfactory, should not be forced upon unwilling consumers. In issuing these instructions I was moved by the following considerations:

In the first place, as stated above, the present control of the War Trade Board Section should not, I believe, go beyond that which is contemplated in the pending legislation. The Longworth bill does not, in my opinion, authorize substitutes and equivalents.

In the second place, I fear that the Dye Advisory Committee and the War Trade Board Section will find it extremely difficult to decide upon a formula of reasonableness for price, quality, and delivery, which, after being defined, must be applied to the applications. In adopting this formula, howsoever accurate it might be, the Dye Advisory Committee and the War Trade Board Section, in my belief, will invite criticism on the part of many consumers. However, the administrative difficulties which the Dye Advisory Committee and the War Trade Board Section will experience in establishing the formula referred to above, are difficulties which the legislation itself suggests, and to that extent the control does not extend beyond that which is contemplated in the present legislation. However, the legislation does not authorize substitutes and equivalents, and I feel that if I should give my sanction thereto, the War Trade Board Section and the Dye Advisory Committee would find it more difficult to suffer the criticism of unwilling consumers because in that case the control would have been carried far beyond that which the legislation contemplates.

I have instructed the War Trade Board Section, however, to inform the Dye Advisory Committee that if the Committee agrees unanimously that a substitute or an equivalent will do the same work as the dye sought to be imported, I will agree that the decision of the Committee should be referred to the consumer, and that if the consumer refuses to accept the recommendation of the Committee, then an allocation certificate will be issued to such consumer entitling him to import the very dye he has applied for.

You will conclude from the foregoing that having agreed to maintain the present control as an interim measure of protection as against the day when the present legislation shall either fail or be adopted, it has been the policy of the War Trade Board and of the Department of State to go no further than the legislation itself. The Longworth bill permits of no discrimination in the matter of importation and authorizes no substitution in the dyes themselves. When the need for the controlled product has been ascertained, the Act makes the issuance of the license mandatory. In my judgment the extension of the present control beyond the scope of the contemplated legislation, for the very purpose of discriminating between importers and of forcing substitutes upon unwilling consumers, would be not only impolitic, but the very clearest case of supererogation of congressional authority by this Department.

I am, my dear Senator Knox,

Sincerely yours,

(Signed) ROBERT LANSING.

PLAINTIFF'S EXHIBIT No. 604.

Copy

March 22, 1919

B. S. Cutler, Esq.,
Department of Commerce,
Washington, D. C.
Dear Sir:

Referring to a conference between Mr. Hoguet and Mr. Stevenson in the matter of The Chemical Foundation, Inc., I am giving you a few facts as to The Chemical Foundation and its purpose which may be of service to you in publishing a notice in the Department of Commerce Bulletin such as was suggested at the conference referred to.

The Chemical Foundation is a corporation capitalized at half a million dollars, incorporated in Delaware, all of the stock of which is subscribed to by manufacturing companies in the chemical and allied industries. There is to be issued four hundred thousand dollars in preferred stock which shall be non-voting stock, and one hundred thousand dollars in common stock which shall have the voting power and which is to be placed in a voting trust for a period of seventeen years. The voting trustees are the gentlemen constituting the Advisory Sales Committee of the Alien Property Custodian's Office; Mr. Otto T. Bannard, Cleveland I. Dodge, George L. Ingraham, Ralph Stone and Benjamin Griswold. The voting trustees are a self-perpetuating body and elect a Board of Directors. In order to prevent control of the company after the expiration of the voting trust, no one will be permitted to buy more than one share of common stock and the common stock is made non-transferable, except by leave of the Board of Directors.

All of the German dye and chemical patents (and

in this classification there is included allied subjects, such as metallurgy, fertilizers, fixation of nitrogen, hydrogenation of oils, etc.) have been seized by the Alien Property Custodian and sold to The Chemical Foundation. The Chemical Foundation will use the patents to prevent interference with the American industries to which they relate by Germans after the war, by issuing non-exclusive licenses to American manufacturers and will also institute suits for infringement based upon the importation of the goods of German manufacturers.

It seems to me that it would be desirable to advise the trade in the United States that importation of German chemical products may result in infringement of patents owned by The Chemical Foundation and thereby lay the importer open to prosecution.

For your information, I am enclosing herewith a copy of the charter of The Chemical Foundation, Inc.

Respectfully,

(Sgd.) FRANCIS P. GARVAN,
Alien Property Custodian.

PLAINTIFF'S EXHIBIT No. 605.

No.....

THE PEOPLE OF THE STATE OF NEW YORK

BY THE GRACE OF GOD FREE AND INDEPENDENT

To all to whom these presents shall come or may concern, GREETING:

KNOW YE, That we having examined the records and files in the office of the Clerk of the County of New York and Clerk of the Supreme Court of said

State for said County, do find a certain Certificate of Incorporation there remaining, in the words and figures following to wit:

(Seal)

ALLIED CHEMICAL & DYE CORPORATION

CERTIFICATE OF INCORPORATION.

WE, The Undersigned, all being persons of full age and citizens of the United States of America, and at least one of us a resident of the State of New York, desiring to form a stock corporation pursuant to the Business Corporations Law of the State of New York, do hereby make, sign and acknowledge this certificate for that purpose, as follows:

FIRST: The name of the proposed corporation (herein sometimes called the "corporation") is Allied Chemical & Dye Corporation.

SECOND: The purposes for which the corporation is to be formed are: To do, in any and all parts of the world, in any and every manner, as principal and as agent, alone and in association with others, any and all of the things hereinabove mentioned, and any and all things incidental or otherwise related thereto, viz.: To establish, carry on and develop the business of producing, manufacturing, utilizing and trading in any and all kinds of chemicals, organic and inorganic, crude and refined, and products of similar character, and any and all materails, products and articles directly or indirectly related thereto in any way including all those which may be ingredients or derivatives thereof, or which may be useful in the manufacture or production thereof, or which may be conveniently or advantageously manufactured or produced in connection therewith, or in the manufacture or production of which the same may be useful, and all by products of such operations; to engage in any

business or operation incidental to any business above referred to; to conduct contracting and engineering operations; to search for, create, prospect, construct, manufacture, purchase, hold, develop, operate, treat, use, transport, sell, mortgage, pledge, import, export and otherwise acquire and dispose of and deal in and with properties and rights, of whatever character and wherever situated, real and personal, tangible and intangible, as may be necessary for or incidental to the purposes aforesaid, including lands, mines, minerals, buildings, plants, equipment, warehouses, materials, products, merchandise, securities, choses in action, inventions, secrets, patents, trade-marks and good-will; to make contracts; to borrow money, contract debts and issue notes, bonds, and other obligations; to acquire, by purchase, subscription or otherwise, and to hold and dispose of, all or any part of the stock, bonds and (or) other obligations of General Chemical Company, The Solvay Process Company, Semet-Solvay Company, National Aniline & Chemical Company, Inc., all New York corporations, and (or) of The Barrett Company, a New Jersey corporation, and (or) of any corporation or association, domestic or foreign, and issue in exchange therefor the stock, bonds or other obligations of this corporation; to purchase or otherwise acquire and to hold and dispose of the stock, bonds and other obligations of this corporation, provided that this corporation's capital be not impaired by any such acquisition of its own stock; to guarantee the stock, bonds or other obligations of, to lend money to and otherwise to assist any corporation or association whose stock, bonds or other obligations or any part thereof may be acquired, held or disposed of by this corporation, or in which this corporation may be otherwise interested in any way, and to do all things for the protection or improvement of such stock, bonds

or other obligations; to purchase or otherwise acquire, from any person or persons, corporation or corporations, and to hold, manage, conduct and dispose of, all or any part of their respective properties and businesses of any character aforesaid, including all or any part of the estate, property, rights, privileges and franchises of any or all of the above named corporations, and to assume all or any part of the obligations thereof or incident thereto, and to pay, issue or assign, in consideration or part consideration therefor, cash or the stock, bonds or other obligations of this corporation or any other lawful consideration; and generally to do any and all things, not contrary to law, necessary or convenient for or in connection with the purposes aforesaid.

The purposes above stated are intended as both objects and powers; and no part of such statements is intended to be limited or restricted in any way by inference from any other part or otherwise except as expressly stated; nor are such statements intended to limit or restrict in any way general powers which the corporation may have under the present or future laws of the State of New York; but, anything herein to the contrary notwithstanding, the corporation shall not have power to do anything at any time not then permitted by law to be done by a corporation organized under the Business Corporations Law.

THIRD: The number of shares that may be issued by the corporation is Two Million Five Hundred Sixteen Thousand Seven Hundred Nineteen (2,516,719) of which Three Hundred Seventy-three Thousand Two Hundred Sixty-four (373,264) shares, of the amount or par value of One Hundred Dollars each, are to be preferred stock, and Two Million One Hundred Forty-three thousand Four Hundred Fifty-five (2,143,455) shares are to be common stock without any nominal or par value.

FOURTH: Holders of the preferred stock shall be entitled to receive dividends thereon at the rate of seven per cent, per annum on the par value thereof, and no more, payable quarterly, out of the net profits or surplus of the corporation, as and when declared, before any dividends shall be paid or set apart on the common stock; said dividends on the preferred stock shall begin to accrue from the first day of January, 1921, except that in the case of shares of the preferred stock issued after the thirty-first day of March, 1921, such dividends shall begin to accrue either (1) from the date on which a regular quarterly preferred dividend shall have been paid next preceding the date of issue of such shares (unless such shares be issued on a date on which a regular quarterly preferred dividend shall be paid, and in such case from such date), or (2) from such other date as may be fixed by the Directors or stockholders upon the authorization of the issue of such shares; and said dividends on the preferred stock shall be cumulative, so that if not fully paid or set apart for any quarter at the full rate aforesaid, dividends to the amount of such deficiency shall thereafter be fully paid or set apart (without interest) on the preferred stock before any dividends (or further dividends) shall be paid or set apart on the common stock; but any dividends which might be paid on the common stock after payment of dividends on the preferred stock, as aforesaid, may be declared, paid and set apart concurrently with such dividends on the preferred stock.

In the event of dissolution, liquidation or distribution of the assets of the corporation, whether voluntary or involuntary, the holders of the preferred stock shall be entitled to be paid in full, out of any and all assets of the corporation, before any payment or distribution of, or out of, said assets shall be made to

holders of the common stock, the full par value of the preferred stock, to wit, One Hundred Dollars per share, and, in addition thereto, the amount of all dividends accrued thereon, up to the date of such payment to holders of the preferred stock.

The corporation shall have the right to redeem, at its option, at any time, all or any part of the preferred stock then outstanding, at the price of One Hundred and Twenty Dollars per share plus the amount of all dividends then accrued thereon, at such time and place and by such method as the Board of Directors shall determine; provided that, not less than thirty days before the date so fixed for such redemption, (1) written notice from the corporation of such redemption, stating the date, place and other terms thereof, shall be mailed at New York City, postage prepaid, addressed to all then record holders of the preferred stock to be so redeemed at their respective addresses, if and as appearing on the corporation's books, and (2) a copy thereof shall be published in two daily newspapers of general circulation in the Borough of Manhattan, New York City. From and after the date of redemption stated in such notice, unless default shall be made by the corporation in providing the moneys required for the payment of said redemption price at the time and place stated in such notice, all dividends shall cease to accrue on the preferred stock so to be redeemed, and all rights of the holders of such preferred stock shall cease and determine, excepting only the right to receive said redemption price, without interest, upon surrender of the certificates for such stock duly endorsed for transfer.

The term "accrued," wherever used herein with reference to dividends on the preferred stock, means an amount equal to seven per cent per annum on the par value of the preferred stock from the date from

which dividends thereon shall have first begun to accrue as above provided, less such amount or amounts as shall from time to time have been paid as dividends thereon, and without regard to whether there shall be or shall have been at any time any net profits or surplus and without regard to the amount of net profits or surplus at any time.

From time to time the corporation may issue and may sell its authorized shares, of either class alone or of both classes together, whether now or hereafter authorized, for the consideration of One Hundred Dollars per share of the preferred stock and Five Dollars per share of the common stock, either in money or money's worth of property or services, or for any other consideration, whether greater or less, now or from time to time hereafter permitted by law; and all shares so issued shall be fully paid and non-assessable; but shares of the preferred stock issued after the thirty-first day of January, 1921, for money only, must be first offered for subscription, at the price and upon the terms governing such issue (excepting any reasonable compensation for underwriting), to all holders of the corporation's outstanding stock, preferred and common, pro rata, according to the number of shares of such stock, preferred or common or both, held of record by them respectively, unless and except in so far as otherwise determined, with respect to any particular issue of shares of the preferred stock, by vote of the holders of two-thirds of each class of stock outstanding; and shares of the common stock issued after the thirty-first day of January, 1921, for money only, must be first offered for subscription, at the price and upon the terms governing such issue (excepting any reasonable compensation for underwriting), to all holders of the corporation's outstanding common stock, pro rata, according to the

number of shares of the common stock held of record by them respectively, unless and except in so far as otherwise determined, with respect to any particular issue of shares of the common stock, by vote of the holders of two-thirds of each class of stock outstanding.

Holders of the stock of either class shall have no other or further right to subscribe for or receive any part of any issue of additional stock of either class than as hereinbefore provided.

Holders of the preferred stock shall have no other or further interest or right in or to the earnings or assets of the corporation than is hereinbefore provided.

Upon every question submitted to the stockholders, at meeting or otherwise, every stockholder of record of the corporation shall be entitled to one vote for every share of either class standing in his name on the books of the corporation.

FIFTH: The amount of capital with which the corporation will carry on business is Forty-eight Million Forty-three Thousand Six Hundred Seventy-five Dollars.

SIXTH: The principal business office of the corporation is to be located in the Borough of Manhattan, County, City and State of New York.

SEVENTH: The duration of the corporation is to be perpetual.

EIGHTH: The number of Directors of the corporation is to be twelve. No Director need be a stockholder.

NINTH: The names and post-office addresses of the Directors for the first year are:

Names.	*Post-Office Addresses.*
Wm. H. Nichols	25 Broad St., N. Y. City
W. H. Nichols, Jr.	25 Broad St., N. Y. City
E. L. Pierce	Syracuse, N. Y.
H. H. S. Handy	Syracuse, N. Y.
Eversley Childs	17 Battery Place, N. Y. City
Wm. Hamlin Childs	17 Battery Place, N. Y. City
Orlando F. Weber	21 Burling Slip, N. Y. City
Wm. J. Matheson	21 Burling Slip, N. Y. City
Rowland Hazard	Peace Dale, R. I.
Armand Solvay	Brussels, Belgium.
Roscoe Brunner	Norwich, England.
Emmanuel Janssen	Brussels, Belgium.

TENTH: The names and post-office addresses of the subscribers to this certificate, and the number of shares of stock (preferred) which each agrees to take in the corporation are as follows:

Names.	*Post-Office Addresses.*	*No. of Shares*
W. H. Nicholas, Jr.	25 Broad St., N. Y. City	three
Wm. Hamlin Childs	17 Battery Place, N. Y. City	one
Orlando F. Weber	21 Burling Slip, N. Y. City	one

ELEVENTH: Pursuant to the by-laws, an Executive Committee and (or) one or more other committees may be appointed from among the Directors or otherwise, to which may be delegated any or all of the powers and duties of the Directors, to the full extent permitted by law.

Any Director or Directors may be removed from office, and a successor or successors chosen, by the stockholders at special meeting at any time.

No contract or other transaction of the corporation shall be void, voidable, fraudulent or otherwise invalidated impaired or affected, in any respect, by reason of the fact that any one or more of the officers,

Directors or stockholders of the corporation shall individually be party or parties thereto or otherwise interested therein, or shall be officers, directors or stockholders of any other corporation or corporations which shall be party or parties thereto or otherwise interested therein; provided that such contract or other transaction be duly authorized or ratified by the Directors or Executive Committee, with the assenting vote of a majority of the disinterested Directors or Executive Committeemen then present, or, if only one such is present, with his assenting vote.

IN WITNESS WHEREOF, we have made, signed and acknowledged this certificate this 16th day of December, nineteen hundred twenty.

W. H. NICHOLS, JR.
WM. HAMLIN CHILDS
ORLANDO F. WEBER

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } *ss.:*

On this 16th day of December, nineteen hundred twenty, before me personally came W. H. Nichols, Jr., Wm. Hamlin Childs and Orlando F. Weber, to me known and known to me to be the individuals described in and who executed the foregoing Certificate of Incorporation, and they severally acknowledged to me that they executed the same.

MARTHA T. BARRETT,
Notary Public, Kings County.
Certificate filed in New York County.
N. Y. Co. Clerk's No. 20.
N. Y. Co. Register's No. 2008.
Com. expires March 30, 1922.

(Seal)

TREASURER'S OFFICE—STATE OF NEW YORK.

$125 835 95 Albany Dec. 17 1920

Received from Allied Chemical & Dye Corporation One hundred twenty-five thousand eight hundred thirty-five & 00 Dollars, in full tax of five cents per share upon 2,143,455 shared without nominal or par value and one-twentieth of one per centum upon $37,326,400/00 preferred capital stock, of the above-named Company for the privilege of reorganization, pursuant to chapter 62, Laws of 1909, as amended, and chapter 351, Laws of 1912, and chapter 484, Laws of 1917, as amended.

FREDK. J. SEAVER,
Cashier.

F. M. FANWELL,
Deputy Comptroller.

All which we have caused by these presents to be exemplified, and the Seal of our said Supreme Court to be hereunto affixed.

Witness, Hon. ISIDOR WASSERVOGEL, a Justice of the Supreme Court for the County of New York, the 21 day of June, in the year of our Lord one thousand nine hundred and 23, of our independence the one hundred and 47.

(Sgd.) JAMES A. DONEGAN,
Clerk.

(Seal)

ISIDOR WASSERVOGEL, a Justice at a Special Term, of the Supreme Court of the State of New York for the County of New York, do hereby certify that JAMES A. DONEGAN, whose name is subscribed to the preceding exemplification, is the Clerk of the said County of New York, and Clerk of the Supreme Court for said County duly elected and sworn, and that full

faith and credit are due to his official acts. I further certify that the Seal affixed to the exemplification is the seal of our said Supreme Court, and that the attestation thereof is in due form.

Dated, New York, June 21, 1923.

(Sgd.) ISIDOR WASSERVOGEL,
Justice of the Supreme Court of the State of New York.

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } *ss.:*

I, JAMES A. DONEGAN, Clerk of the Supreme Court of said State in and for the County of New York do hereby certify that Hon. Isidor Wasservogel whose name is subscribed to the preceding certificate, is Presiding Justice at a Special Term of the Supreme Court of said State in and for the County of New York, duly elected and sworn, and that the signature of said Justice to said certificate is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said Court, this 21 day of June, 1923.

(Sgd.) JAMES A. DONEGAN,
(Seal) *Clerk.*

PLAINTIFF'S EXHIBIT No. 606.

List of Patents and other Data furnished by Karl Holdermann, as requested by counsel and ordered by the Court.

(The following symbols are used in connection with this list of patents):

o Product.
x Process.

AMMONIA PATENTS (including all patents related to the art of making Synthetic Ammonia and Fertilizers from it.

59 Patents.

971,501	999,025	1,006,206
1,053,951	1,053,952	1,063,007
1,068,966	1,068,967	1,068,968
1,068,969	1,075,085	1,077,034
1,083,585	1,086,130	1,173,550
1,188,530	1,196,101	1,091,234
1,094,182	1,094,194	1,102,716
1,106,919	1,113,096	1,113,097
1,115,776	1,118,628	1,126,371
1,128,804	1,128,843	1,133,086
1,133,087	1,148,570	1,149,510
1,152,930	1,157,669	1,158,167
1,200,805	1,202,995	1,207,706
1,207,707	1,207,708	1,207,968
1,211,393	1,211,394	1,216,059
1,225,755	1,243,382	1,244,580
1,261,900	1,274,503	1,286,650
1,292,019	1,301,151	1,330,772
1,344,673	1,369,383	1,379,387
1,386,760	1,200,806	

SYNTHETIC TANNING MATERIALS AND TANNING.

15 Patents

o Products.
x Process.

1,089,797 o	1,107,107 xo	1,133,108 x
1,191,430 x	1,203,069 x	1,216,612 x
1,232,620 x	1,237,405 xo	1,254,364 xo
1,278,229 xo	1,281,494 xo	1,289,280 xo
1,336,759 xo	1,414,045 xo	1,421,722 x

DYESTUFFS AND DYEING. (Patents in force April 10, 1919.)

322 Patents.

o Product.
x Process.

698,328 x	698,355 x	699,033 x
699,581 ox	700,565 ox	707,373 ox
707,374 ox	710,059 o	711,377 ox
711,835 ox	713,437 ox	713,447 o
713,507 o	715,074 ox	715,662 ox
715,680 ox	716,242 ox	716,248 x
716,264 o	716,289 o	718,028 ox
718,032 ox	718,340 x	718,342 ox
718,356 o	718,389 o	719,720 o
720,501 x	723,125 ox	724,789 ox
730,148 ox	731,385 x	735,775 ox
737,445 o	738,614 ox	739,145 o
739,579 o	741,936 o	744,417 o
744,501 x	746,784 ox	746,965 x
746,981 ox	749,913 ox	750,113 o
752,562 o	752,947 x	753,657 ox
753,659 ox	754,264 ox	754,315 ox
754,856 o	755,428 ox	756,171 x
756,571 ox	756,759 ox	759,716 o
760,817 x	761,007 ox	763,233 ox
765,079 o	765,080 o	765,576 x
765,581 ox	765,590 x	765,597 ox
767,259 o	770,177 ox	772,237 ox
772,775 x	777,323 ox	778,175 o
778,656 x	778,725 ox	778,752 x
778,772 x	779,825 ox	779,860 o
780,404 x	780,886 x	785,003 ox
786,065 ox	786,767 o	787,767 o
787,768 o	787,824 x	787,859 ox
789,096 o	790,167 ox	791,869 ox

792,421 o	793,558 ox	793,559 ox
793,610 o	794,049 x	794,050 o
795,751 ox	795,755 x	796,393 ox
798,077 x	798,098 o	798,103 x
798,104 ox	799,058 ox	806,053 ox
806,077 o	809,892 ox	809,893 ox
809,894 ox	811,471 ox	814,137 ox
815,193 x	818,336 ox	818,341 x
818,992 ox	820,379 ox	820,501 ox
820,869 x	820,889 o	820,900 x
821,452 ox	826,428 x	828,741 ox
828,759 x	828,778 ox	831,002 ox
833,602 ox	833,605 o	833,654 ox
835,462 x	837,730 x	837,775 ox
837,840 ox	840,419 ox	843,566 x
844,914 x	845,129 x	855,248 x
856,811 ox	860,480 ox	860,575 o
861,014 x	863,396 o	863,397 ox
863,401 ox	863,761 x	867,167 x
868,399 ox	869,655 ox	871,600 x
871,629 o	872,181 x	876,190 ox
876,679 ox	876,810 ox	876,839 ox
879,053 ox	885,566 x	885,567 x
885,577 x	886,815 ox	891,708 x
892,900 ox	893,384 x	893,412 ox
893,507 ox	893,508 ox	896,610 x
906,367 o	909,800 ox	910,839 x
910,889 ox	913,633 x	913,634 x
914,144 ox	914,146 ox	921,546 ox
922,282 ox	925,917 ox	926,023 ox
929,442 ox	929,443 ox	931,598 ox
931,618 ox	932,266 ox	932,289 ox
932,290 ox	935,370 ox	935,371 o
936,951 o	941,320 ox	943,560 ox
943,561 ox	948,204 ox	948,241 ox
949,592 x	955,080 ox	955,105 ox
955,410 ox	957,683 ox	961,612 ox

963,656 x	968,376 o	970,340 ox
970,878 ox	983,834 x	984,312 o
990,173 o	992,567 o	995,936 ox
999,055 x	1,001,408 ox	1,002,066 o
1,003,268 ox	1,003,289 ox	1,004,433 ox
1,010,919 ox	1,010,930 o	1,011,068 o
1,011,084 x	1,011,085 x	1,012,363 ox
1,016,604 ox	1,018,836 o	1,018,837 o
1,025,652 ox	1,026,557 ox	1,026,588 ox
1,026,621 ox	1,027,836 x	1,027,908 ox
1,027,953 x	1,028,045 ox	1,032,215 ox
1,032,216 ox	1,034,898 ox	1,035,023 ox
1,036,241 ox	1,037,410 ox	1,042,679 x
1,044,673 o	1,044,674 o	1,044,675 o
1,047,812 ox	1,047,813 ox	1,052,507 ox
1,054,888 o	1,055,701 ox	1,057,243 ox
1,058,604 ox	1,061,714 ox	1,062,975 ox
1,062,988 o	1,062,990 ox	1,063,000 ox
1,063,004 o	1,063,172 x	1,063,173 x
1,065,102 ox	1,066,987 ox	1,067,046 o
1,071,274 x	1,073,902 o	1,073,903 o
1,073,904 o	1,073,905 o	1,073,951 o
1,075,305 ox	1,076,756 o	1,077,115 ox
1,077,655 o	1,083,051 x	1,083,110 o
1,086,123 ox	1,089,221 ox	1,090,123 ox
1,090,621 o	1,090,636 o	1,092,542 x
1,093,427 ox	1,095,731 x	1,095,780 o
1,095,793 o	1,098,145 x	1,104,611 o
1,106,970 ox	1,121,295 x	1,122,790 ox
1,126,475 o	1,126,656 o	1,128,836 ox
1,133,031 x	1,133,081 ox	1,150,863 ox
1,156,048 x	1,165,531 o	1,166,808 o
1,169,404 o	1,176,363 x	1,185,943 x
1,188,543 x	1,188,544 o	1,188,545 o
1,196,127 ox	1,200,848 ox	1,201,968 ox
1,202,260 ox	1,204,639 x	1,207,762 ox
1,207,802 x	1,207,981 ox	1,207,982 ox

1,216,134 ox	1,216,921 o	1,220,248 ox
1,232,551 ox	1,232,552 ox	1,238,932 ox
1,253,252 ox	1,264,604 ox	1,266,896 ox
	1,280,648 ox	

MISCELLANEOUS.

72 Patents.

o Products.
x Process.

812,098 ox	821,457 x	833,666 x
837,777 ox	879,030 x	883,651 x
889,059 x	892,899 o	898,307 ox
903,047 x	911,468 x	923,012 x
957,842 x	957,843 x	990,191 x
990,192 x	993,144 x	1,022,351 x
1,026,418 x	1,026,419 x	1,026,420 x
1,027,312 x	1,029,528 x	1,032,822 x
1,043,798 x	1,045,139 x	1,045,895 o
1,054,901 ox	1,061,725 x	1,062,973 x
1,065,182 x	1,070,294 x	1,078,937 x
1,083,164 x	1,083,165 x	1,089,185 x
1,089,253 x	1,089,775 x	1,091,276 x
1,098,858 x	1,098,859 x	1,102,654 x
1,102,655 x	1,102,715 x	1,126,627 x
1,157,668 x	1,166,790 o	1,168,070 x
1,173,532 ox	1,175,693 x	1,189,110 x
1,191,799 x	1,192,310 ox	1,200,886 o
1,201,850 x	1,202,282 x	1,215,334 x
1,215,335 o	1,215,396 ox	1,216,933 o
1,221,382 x	1,237,828 x	1,238,930 x
1,248,888 x	1,256,032 ox	1,258,529 x
1,271,013 ox	1,278,580 x	1,280,650 o
1,294,662 x	1,298,929 x	1,391,666 ox

DR. KARL HOLDERMANN.

May 9, 1923.

PLAINTIFF'S EXHIBIT No. 607.

Opinion accompanying Ramsay Hoguet's letter to Alien Property Custodian in response to inquiries contained in communication of January 24, 1918.

Note: Same as opinion attached to Plaintiff's Exhibit No. 7 and not reprinted here. (See Record, Exhibits, Vol. I, page 45.)

PLAINTIFF'S EXHIBIT No. 608.

#21 East 40th Street
April 7th, 1919.

Mr. M. R. Poucher,
E. I. du Pont de Nemours & Co.,
Wilmington, Delaware.

My dear Mr. Poucher:

I had hoped to see you before you got away on Saturday, as the substance of this letter I wished to convey to you personally.

In view of the fact that the President of the American Dyes Institute is not in this country, I presume that all matters of resignation should be addressed to the Executive Committee; therefore I am employing this method of placing in your hands my resignation as Secretary of the American Dyes Institute, by reason of the fact that the work of the Institute is now growing to such an extent that it requires more time than I can possibly afford to give to it, were the salary three times as much as I am now getting. I think I made this perfectly clear to the Institute when I accepted the Secretaryship in 1918—that I only consented to be Secretary if the Institute would accept such time as I could give to it. It has

now gotten to the point where I have to devote nearly every minute of my time to one thing and another in connection with its affairs.

This does not imply that I will not undertake the work of distributing the stock of the Chemical Foundation Incorporated to the best of my ability, if such is the wish of the Executive Committee.

I was greatly surprised at the attitude of Counsel, Mr. A. J. Eddy, at last Friday's Executive Committee meeting, that the affairs of the Chemical Foundation Incorporated should not come before the Institute as a whole. To avoid annoyance and argument I camouflaged the situation with a reply of personal pride, but any man whose imagination is not warped can see where the Dye Industry of the United States will be most benefitted by doing everything in its power to make the Chemical Foundation Incorporated a strong creative body which will help to carry us in part to the goal for which we have worked so long. Moreover, I do not believe that in reviewing the facts connected with the formation of the Chemical Foundation Incorporated, it was anything else but an American Dyes Institute matter simon pure, and that the underwriters were acting only as a part of that Institute.

Please accept this resignation in the spirit that I have enjoyed the work with all the members of the Executive Committee and all the members of the American Dyes Institute. It has indeed been a pleasure.

I think this resignation should take effect at once, or upon the completion of the distribution of such stock as we can place among the Chemical Industry of the United States, providing that this work it is the wish of the Executive Committee that I should carry out.

Regarding the lease of this office, I would be very pleased to assume the responsibility and take it off the hands of the Institute. Any other items in connection with the furniture, etc., can very easily be arranged.

Assuring you and the whole American Dye Industry of my profound interest in your cause, and, as in the past, so in the future I am always ready and anxious to do my bit.

Very sincerely yours,

(Sgd.) C. C. BENNETT.

CCB/VS

PLAINTIFF'S EXHIBIT No. 609.

ALIEN PROPERTY CUSTODIAN

OATH OF OFFICE

I, Francis P. Garvan

do solemnly swear that I will support and defend

(Swear or affirm)

the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion: and that I will well and faithfully discharge the duties of the office on which I am about to enter: So help me God.

(Sgd.) FRANCIS P. GARVAN.

(Signature of appointee.)

Sworn to and subscribed before me this 12th day of Nov. A. D. 1917.

(Sgd.) N. B. DREHER,

Director Office Administration.

Bureau or office to which assigned: Office Alien Property Custodian.
Position: Attorney. Salary $1.00 per Annum.
Date of entrance upon duty: Nov. 12, 1917.

Form A. P. C. 4

PLAINTIFF'S EXHIBIT No. 610.

ALIEN PROPERTY CUSTODIAN
OATH OF OFFICE

I, Francis P. Garvan
do solemnly swear that I will support and defend
(Swear or affirm)
the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion: and that I will well and faithfully discharge the duties of the office on which I am about to enter: So help me God.

(Sgd.) FRANCIS P. GARVAN.
(Signature of appointee.)

Sworn to and subscribed before me this 4th day of March, A. D. 1919.

(Sgd.) ASHLEY M. GOULD,
Justice Supreme Court D. C.

Bureau or office to which assigned: Office Alien Property Custodian.
Position: Alien Property Custodian. Salary: 5000—
Date of entrance upon duty: March 4, 1919.

Form A. P. C. 4

PLAINTIFF'S EXHIBIT No. 611.

NOON CONFERENCE.

May 16, 1918.

PRESENT: The Alien Property Custodian. Messrs. Horne, Bradley, Dunn, Garvan, Dreher and Ferry.

Mr. Garvan reported that his investigation of the New England Waste Company showed that Company to be over 99% enemy-owned.

Effective May fifteenth, Francis P. Garvan, Director of the Bureau of Investigation, is appointed Managing Director for the Alien Property Custodian in charge of the New York office. He will have power and authority in New York similar to that exercised by the Managing Director of the home office at Washington. All Bureaus and Divisions represented in the New York office should report relative to business at New York to Mr. Garvan who will have general charge of the administration in the New York Office.